

Idaho Economic Forecast

Dirk Kempthorne, Governor

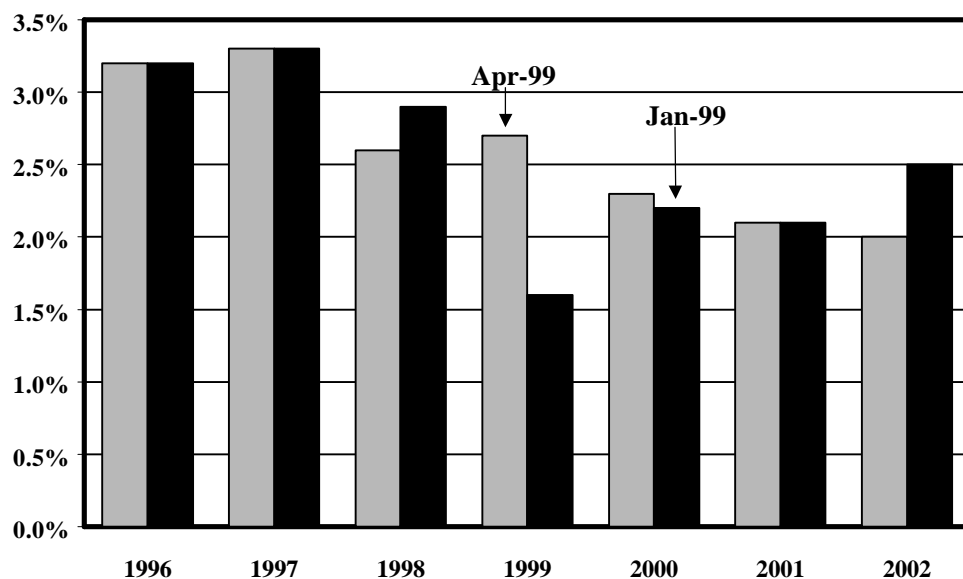
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- Forecast 1998-2002
- A Better CPI
- Alternative Forecasts

Idaho Nonfarm Employment Growth



**Idaho
Economic
Forecast
1998 - 2002**

State of Idaho
Dirk Kempthorne
Governor

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PREFACE

Idaho has entered its second century of statehood on solid economic ground. After nearly a decade of stop and start economic performance, the 1980s closed with a much-welcomed economic expansion. While not as sharp as the boom years of the 1970s, today's employment and income growth are exceptional in comparison to the 1980s. Much of the current expansion results from Idaho's successful adjustment (and sometimes painful restructuring) of its key basic industries.

Our traditional industries, such as lumber and wood products, food processing, and mining, have become more competitive. Our high-tech sector, which includes Hewlett-Packard, Zilog, and Micron Technology, has bucked recent national trends and undergone substantial expansion. In addition, the tourism and travel sectors have benefited from past investments in such projects as the Coeur d'Alene Resort, the convention centers in Boise and Nampa, and the Kellogg Gondola. Thus, the restructured Idaho economy is better positioned to exploit growth opportunities that will arise this decade, and is expected to sustain solid growth well through the 1990s.

A particularly satisfying aspect of the Gem State's passage into the 1990s is the broad base of economic health in Idaho today. Tourism, high-tech manufacturing, and the commercial sectors are thriving. After persevering through hard times, Idahoans are enjoying the benefits of the state's economic success on a wide geographical basis. Many of Idaho's rural communities that lagged urban growth rates during the 1980s have grown recently. Almost two-thirds of Idaho cities lost population during the previous decade. Many are now rebounding.

While many changes are taking place today, other traditional factors still hold firm. Most notably, Idaho's economy remains directly tied to its resource base. While displaying more resilience to downturns than in the past, these industries are not totally immune from business cycle effects. This heavy dependency on natural resources will bring a host of challenges as Idaho enters the next century. These include competition among agriculture, fisheries, and expanding population needs for water and energy; the environmental impacts of the economically important mining, timber, agricultural, and tourism industries; and the many other pressures of an expanding population on the state's natural and fiscal resources.

Other factors that are external to the state's economy will present challenges this decade to public and private decision makers. Public policy decisions made in Washington, D.C. affect resource industry and federal installations such as the Idaho National Engineering and Environmental Laboratory near Idaho Falls and the Mountain Home Air Force Base. Finding balanced and acceptable solutions to endangered and threatened species issues and timber supply issues are of major economic significance.

In order to deal effectively with these challenges, public and private decisions need to be made with a thorough understanding of the structure of the state's economy. It is to this end that the *Idaho Economic Forecast* is directed.

Division of Financial Management

700 W. Jefferson, Room 122
P.O. Box 83720
Boise, Idaho 83720-0032
(208) 334-3900

Economic Analysis Bureau

Michael H. Ferguson, Chief Economist
Derek E. Santos, Economist

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INTRODUCTION

The national forecast presented in this publication is the March 1999 Standard and Poor's DRI baseline forecast of the U.S. economy. The January 1999 *Idaho Economic Forecast* was based on the November 1998 DRI national forecast.

The near-term outlook for the Idaho economy has improved noticeably compared to the previous forecast. For example, in the January 1999 edition of the *Idaho Economic Forecast* it was reported that the Gem State's nonfarm employment would rise just 1.6% in 1999, 2.2% in 2000, 2.1% in 2001, and 2.5% in 2002. Thanks to the significantly higher expectations for the national economy, the state's nonfarm employment is now expected to average about 2.3% in each year of the forecast. A comparison of these growth rates is illustrated on the cover of this publication.

FEATURE

"A Better CPI" is the feature article in this *Forecast*. The consumer price index (CPI) is the most widely recognized and used measure of U.S. inflation. Given its popularity, it is important that this measure be as accurate as possible. To that end, the U.S. Bureau of Labor Statistics (BLS) has been identifying and measuring problems with the CPI, and working toward solutions. This article serves as an excellent primer to explain the different types of biases that plague the current CPI, the BLS actions to remove these biases, and the possible implications for monetary policy. This article was written by Allison Wallace and Brian Motley. Ms. Wallace is a Research Associate at the Federal Reserve Bank of San Francisco and Mr. Motley is a Research Officer with the Bank.

THE FORECAST

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. DRI examines the effects of different economic scenarios, including the potential impacts of international recessions; higher inflation; and future Federal Reserve Board decisions. Alternative Idaho economic forecasts were developed under different policy and growth scenarios at the national level. These forecasts are described in the text.

Historical and forecast data for Idaho and the U.S. are presented in the tables in the middle section of this report. Detail is provided for every year from 1983 to 2002 and for every quarter from 1996 through 2001. The solution of the Idaho Economic Model for this forecast begins with the fourth quarter of 1998.

Descriptions of the DRI U.S. Macroeconomic Model and the Idaho Economic Model are provided in the Appendix. Equations of the Idaho Economic Model and variable definitions are listed in the last pages of this publication.

CHANGES

The employment numbers that appear in this publication are based on monthly data supplied by the Idaho Department of Labor. These data extend through the fourth quarter of 1998. The estimates for the first nine months of 1998 have been benchmarked, while the monthly estimates for the fourth quarter are preliminary. All the monthly data have been seasonally adjusted and converted into quarterly estimates by DFM.

Usually the largest discrepancies occur between the most recently benchmarked quarter and its preliminary estimate. However, a review of the first two quarters of 1998 shows significant differences. Specifically, the first quarter of 1998 is now 2,914 lower than was previously estimated and the second quarter is down 3,031. Most of this change reflects the downward revision to the finance, insurance, and real estate sector. The U.S. Bureau of Labor Statistics determined that 3,600 of the jobs classified as noncovered real estate should be classified as self-employed. Thus, these jobs were removed from the nonfarm employment count. This creates a series break that begins in the first quarter of 1998. If these jobs had not been reclassified, total employment would have actually been slightly higher in the first three-quarters of last year.

The tables in this forecast include the U.S. Department of Commerce's Bureau of Economic Analysis' (BEA) estimates of Idaho quarterly personal income through the third quarter of 1998. The personal income data for the first and second quarters of 1998 have been revised. The BEA is scheduled to release the next round of Idaho personal income estimates in late April 1999. These estimates will run through the end of 1998.

The *Idaho Economic Forecast* is available on the Internet at <http://www.state.id.us/dfm/econinfo.htm>. Readers with any questions should contact Derek Santos at (208) 334-3900 or at dsantos@dfm.state.id.us.

SUBSCRIPTIONS

You can access the *Idaho Economic Forecast* for free at <http://www2.state.id.us/dfm/econinfo.htm>.

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EXECUTIVE SUMMARY

The outlook for Idaho's economy has improved significantly in just a few short months. In the January 1999 *Idaho Economic Forecast* it was projected that nonfarm employment growth would slow to 1.6% this year. Instead of nonfarm employment growth slowing in 1999, it should actually accelerate slightly (2.7% versus 2.6% in 1998). There are two main reasons for this change. First, revised Idaho nonfarm employment data show that there were about 600 more jobs in the first and second quarters of 1998. This higher employment raises the starting point for employment in 1999. Second, future Idaho nonfarm employment growth benefits from the stronger outlook for the national economy. Idaho nonfarm employment is anticipated to rise 2.7% in 1999, 2.3% in 2000, 2.1% in 2001, and 2.0% in 2002. Idaho employment is not the only measure whose outlook has improved. Thanks to the stronger job growth and lower inflation, Idaho real personal income is expected to grow faster than was previously projected. By 2002 Idaho real personal income should climb to \$26.0 billion, compared to \$25.5 billion in the previous forecast. The impact is more noticeable on a per capita basis. In the previous forecast Idaho real personal income per person was estimated at \$19,245 in 2002. In the current forecast it is \$19,840 in that same year.

The outlook for the U.S. economy has also improved. In fact, it is at the age where most expansions are winding down, but this one has actually become more vigorous. Despite this strength, the economy still has not developed any of the ailments of old age. Two symptoms of this would be high inflation and high manufacturers' capacity utilization rates. A look at both of these suggests no imminent problems. Consumer prices, thanks to soft food prices and the collapse in oil prices, rose just 1.6% last year and remains under control. Likewise, the manufacturers' capacity utilization rate is safely below the critical level. After this positive check up, many experts have revised their prognosis for the national economy. In its November 1998 macroeconomic forecast, DRI projected that real GDP growth would slow to 1.7% in 1999. Four months later, it now projects that real GDP will grow 3.7% this year. As was the case in 1998, no significant imbalances are anticipated during the forecast period. Inflation will creep up, but remain low. The U.S. manufacturing capacity rate should stay under the level associated with inflation. Unemployment will also rise, but it will remain below the full-employment rate. If DRI's current forecast holds, Americans will enjoy the fruits of the longest modern day expansion on record.

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

APRIL 1999

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
GDP (BILLIONS)										
Current \$	6,558	6,947	7,270	7,662	8,111	8,511	8,907	9,196	9,574	9,949
% Ch	5.0%	5.9%	4.6%	5.4%	5.9%	4.9%	4.7%	3.2%	4.1%	3.9%
1992 Chain-Weighted	6,390	6,611	6,762	6,995	7,270	7,552	7,828	7,989	8,178	8,342
% Ch	2.3%	3.5%	2.3%	3.4%	3.9%	3.9%	3.7%	2.1%	2.4%	2.0%
PERSONAL INCOME - CURR \$										
Idaho (Millions)	19,475	20,628	22,071	23,430	24,681	25,864	27,164	28,471	29,837	31,264
% Ch	10.0%	5.9%	7.0%	6.2%	5.3%	4.8%	5.0%	4.8%	4.8%	4.8%
Idaho Nonfarm (Millions)	18,339	19,979	21,371	22,647	23,956	25,187	26,466	27,752	29,100	30,511
% Ch	8.6%	8.9%	7.0%	6.0%	5.8%	5.1%	5.1%	4.9%	4.9%	4.8%
U.S. (Billions)	5,481	5,758	6,072	6,425	6,784	7,125	7,476	7,782	8,099	8,411
% Ch	4.3%	5.1%	5.5%	5.8%	5.6%	5.0%	4.9%	4.1%	4.1%	3.9%
PERSONAL INCOME - 1992 \$										
Idaho (Millions)	18,967	19,615	20,518	21,347	22,073	22,950	23,816	24,584	25,267	25,938
% Ch	7.2%	3.4%	4.6%	4.0%	3.4%	4.0%	3.8%	3.2%	2.8%	2.7%
Idaho Nonfarm (Millions)	17,861	18,998	19,867	20,634	21,425	22,349	23,204	23,964	24,643	25,314
% Ch	5.7%	6.4%	4.6%	3.9%	3.8%	4.3%	3.8%	3.3%	2.8%	2.7%
U.S. (Billions)	5,339	5,476	5,645	5,854	6,068	6,323	6,556	6,721	6,860	6,979
% Ch	1.6%	2.6%	3.1%	3.7%	3.6%	4.2%	3.7%	2.5%	2.1%	1.7%
HOUSING STARTS										
Idaho	11,456	12,766	9,358	9,216	8,866	9,915	9,505	9,690	9,799	9,996
% Ch	19.5%	11.4%	-26.7%	-1.5%	-3.8%	11.8%	-4.1%	1.9%	1.1%	2.0%
U.S. (Millions)	1.292	1.446	1.361	1.469	1.476	1.622	1.624	1.458	1.444	1.455
% Ch	7.5%	12.0%	-5.9%	7.9%	0.5%	9.9%	0.1%	-10.2%	-0.9%	0.7%
TOTAL NONFARM EMPLOYMENT										
Idaho (Thousands)	436.7	461.2	477.4	492.6	508.8	521.8	535.6	548.2	559.8	571.0
% Ch	4.8%	5.6%	3.5%	3.2%	3.3%	2.6%	2.7%	2.3%	2.1%	2.0%
U.S. (Millions)	110.7	114.1	117.2	119.6	122.7	125.8	128.8	130.2	131.6	132.5
% Ch	1.9%	3.1%	2.7%	2.1%	2.6%	2.6%	2.3%	1.1%	1.1%	0.7%
FINANCIAL MARKETS										
Federal Funds Rate	3.0%	4.2%	5.8%	5.3%	5.5%	5.4%	4.8%	5.0%	5.0%	5.0%
Bank Prime Rate	6.0%	7.1%	8.8%	8.3%	8.4%	8.4%	7.8%	8.0%	8.0%	8.0%
Mort Rate, New Homes	7.2%	7.5%	7.9%	7.8%	7.7%	7.1%	7.1%	7.3%	7.1%	6.9%
INFLATION										
GDP Price Deflator	2.6%	2.4%	2.3%	1.9%	1.9%	1.0%	1.0%	1.2%	1.7%	1.9%
Personal Cons Deflator	2.7%	2.4%	2.3%	2.0%	1.9%	0.8%	1.2%	1.5%	2.0%	2.1%
Consumer Price Index	3.0%	2.6%	2.8%	2.9%	2.3%	1.6%	1.8%	2.1%	2.3%	2.4%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FOURTH Quarter of 1998

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

APRIL 1999

	1998				1999				2000			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP (BILLIONS)												
Current \$	8,384	8,441	8,538	8,680	8,796	8,872	8,950	9,011	9,068	9,147	9,238	9,331
% Ch	6.4%	2.7%	4.7%	6.8%	5.4%	3.5%	3.6%	2.8%	2.5%	3.5%	4.0%	4.1%
1992 Chain-Weighted	7,465	7,499	7,566	7,679	7,754	7,808	7,859	7,892	7,914	7,961	8,016	8,065
% Ch	5.5%	1.8%	3.7%	6.1%	4.0%	2.9%	2.6%	1.7%	1.1%	2.4%	2.8%	2.5%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	25,439	25,635	25,982	26,400	26,686	27,024	27,327	27,617	27,969	28,309	28,642	28,963
% Ch	6.7%	3.1%	5.5%	6.6%	4.4%	5.2%	4.6%	4.3%	5.2%	5.0%	4.8%	4.6%
Idaho Nonfarm (Millions)	24,782	24,951	25,307	25,709	26,000	26,333	26,621	26,910	27,264	27,595	27,918	28,232
% Ch	8.0%	2.8%	5.8%	6.5%	4.6%	5.2%	4.5%	4.4%	5.4%	4.9%	4.8%	4.6%
U.S. (Billions)	7,004	7,082	7,161	7,254	7,349	7,443	7,521	7,591	7,672	7,745	7,818	7,893
% Ch	5.9%	4.5%	4.5%	5.3%	5.3%	5.2%	4.3%	3.8%	4.3%	3.9%	3.8%	3.9%
PERSONAL INCOME - 1992 \$												
Idaho (Millions)	22,653	22,777	23,026	23,342	23,514	23,739	23,919	24,091	24,298	24,501	24,690	24,848
% Ch	6.7%	2.2%	4.5%	5.6%	3.0%	3.9%	3.1%	2.9%	3.5%	3.4%	3.1%	2.6%
Idaho Nonfarm (Millions)	22,068	22,169	22,428	22,731	22,909	23,132	23,301	23,474	23,687	23,883	24,066	24,221
% Ch	8.0%	1.8%	4.8%	5.5%	3.2%	4.0%	3.0%	3.0%	3.7%	3.4%	3.1%	2.6%
U.S. (Billions)	6,237	6,293	6,347	6,414	6,476	6,540	6,584	6,623	6,667	6,705	6,740	6,773
% Ch	5.9%	3.6%	3.5%	4.3%	3.9%	4.0%	2.8%	2.4%	2.7%	2.3%	2.2%	2.0%
HOUSING STARTS												
Idaho	10,898	9,748	9,414	9,602	9,516	9,526	9,489	9,489	9,569	9,668	9,739	9,783
% Ch	75.8%	-36.0%	-13.0%	8.2%	-3.5%	0.4%	-1.5%	0.0%	3.4%	4.2%	2.9%	1.8%
U.S. (Millions)	1.585	1.570	1.637	1.697	1.727	1.650	1.592	1.526	1.478	1.455	1.449	1.449
% Ch	19.6%	-3.7%	18.2%	15.5%	7.3%	-16.6%	-13.4%	-15.6%	-12.1%	-6.0%	-1.7%	0.2%
TOTAL NONFARM EMPLOYMENT												
Idaho (Thousands)	516.0	520.1	523.1	527.9	530.8	534.5	537.3	539.9	543.4	546.8	550.0	552.6
% Ch	1.8%	3.1%	2.4%	3.7%	2.2%	2.8%	2.2%	1.9%	2.7%	2.5%	2.3%	1.9%
U.S. (Millions)	124.8	125.5	126.1	126.8	127.6	128.7	129.2	129.6	129.8	130.0	130.4	130.8
% Ch	2.8%	2.3%	2.0%	2.2%	2.5%	3.5%	1.6%	1.0%	0.6%	0.9%	1.0%	1.3%
FINANCIAL MARKETS												
Federal Funds Rate	5.5%	5.5%	5.5%	4.9%	4.7%	4.8%	4.9%	5.0%	5.0%	5.0%	5.0%	5.0%
Bank Prime Rate	8.5%	8.5%	8.5%	7.9%	7.8%	7.8%	7.9%	8.0%	8.0%	8.0%	8.0%	8.0%
Mort Rate, New Homes	7.2%	7.2%	7.1%	6.9%	7.0%	7.1%	7.2%	7.3%	7.3%	7.3%	7.3%	7.2%
INFLATION												
GDP Price Deflator	0.9%	0.9%	1.0%	0.7%	1.4%	0.7%	1.0%	1.0%	1.4%	1.1%	1.3%	1.6%
Personal Cons Deflator	0.0%	0.9%	1.0%	0.9%	1.4%	1.2%	1.5%	1.4%	1.6%	1.5%	1.6%	1.9%
Consumer Price Index	1.0%	1.8%	1.6%	1.7%	1.8%	1.8%	2.0%	2.0%	2.1%	2.0%	2.1%	2.3%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FOURTH Quarter of 1998

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the Fourth Quarter of 1998 to the Fourth Quarter of 2002

The U.S. economy celebrated its eighth straight year of growth this month. While this is very young in human years, it is old on an economic scale. On average, U.S. economic expansions have lasted just under four years. Not only has this expansion lasted twice as long, it is fast approaching the record of 106 months that occurred from February 1961 to December 1969. Interestingly, at the age where most expansions are winding down, this one has actually become more vigorous. For example, real GDP grew at a 3.7% annual rate in the third quarter of 1998 followed by an astounding 6.1% in the fourth quarter. Despite this strength, the economy still hasn't developed any of the ailments that would indicate it is near the end of its expansion. Two symptoms absent are high inflation and high manufacturers' capacity utilization rates. A look at both of these suggests no imminent problems. Consumer prices, thanks to soft food prices and the collapse in oil prices, rose just 1.6% last year and remains under control. Likewise, the manufacturers' capacity utilization rate is safely below the critical level. After this positive check up, many experts have revised their prognosis for the national economy. In its November 1998 macroeconomic forecast, DRI projected that real GDP growth would slow to 1.7% in 1999. Four months later, it now projects that real GDP will grow 3.7% this year.

At this point it would be tempting to conclude that the economy has discovered a fountain of youth of sorts. However, this is not likely to be true. Although there are no imminent storm clouds on the horizon, this expansion, like previous ones, remains vulnerable to the imbalances that have doomed its predecessors. While it is impossible to determine what form this calamity will take, one can speculate. For example, surging consumer confidence boosted consumer spending in recent years. It would be interesting to see what would happen if for some reason consumer confidence began to retreat. This is explored in the *Alternative Section* of this forecast. It is interesting to note that in both alternative scenarios the U.S. economy slips into a recession. A more detailed description of these alternative forecasts and their impacts on the Idaho economy can be found in the *Alternative Section* of this forecast.

It is important to note that the economy is not expected to suffer a recession over the forecast period. Under its baseline (most likely scenario), DRI expects the U.S. economy to continue growing, albeit at a slower pace, over the forecast period. Specifically, real GDP is forecast to rise 3.7% this year, 2.1% next year, 2.4% in 2001, and 2.0% in 2002. As was the case in 1998, no significant imbalances are anticipated during the forecast period. Inflation will creep up, but remain low. The U.S. manufacturing capacity rate should stay under the level associated with inflation. Unemployment will also rise, but it will remain below the full-employment rate. If DRI's current forecast holds, Americans will enjoy the fruits of the longest modern economic expansion on record.

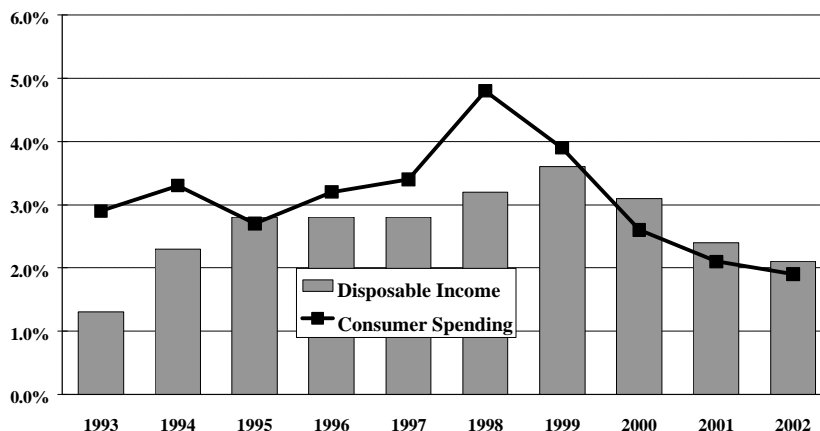
SELECTED NATIONAL ECONOMIC INDICATORS

Consumer Spending: Consumer spending has been a major contributor to the economy's overall growth in the last two years. For example, real consumer spending growth was 3.4% in 1997, just one-half percentage point less than the 3.9% growth rate for real GDP that same year. In 1998, real consumer spending actually led real GDP growth by a wide margin, 4.8% versus 3.9%. Not surprisingly, real spending, which typically accounts for about two-thirds of the economic activity, climbed to 68.2% of real GDP in 1998. Consumers were able to achieve this pace, despite modest income growth, by dipping into their savings and taking on more debt. A review of disposable personal income shows that it did not

grow fast enough in 1997 and 1998 to support the level of spending in those two years. To make up this gap, consumers turned to savings and debt. The personal savings rate, which had been nearly 6.0% in 1992, had fallen to virtually zero in 1998. The amount of outstanding consumer credit (which does not include mortgages or auto leases) grew 6.1% in 1998, up from its 4.8% pace in 1997. This seemingly extravagant behavior is due primarily to extremely high consumer confidence. A look at several factors suggests that much of this confidence can be justified

because the economy is the healthiest it has been in recent memory. The unemployment rate is low. Inflation is low. Interest rates are favorable. The stock market is high. And the net worth of households has grown by leaps and bounds. Thus, for many Americans these days are indeed the “best of times,” and their spending habits reflect it. The question is whether consumer spending can maintain this pace. The short answer is not likely. This is because the factors that boosted consumer confidence should start to reverse. Rising exports will start to cost American jobs, so that by 2002 the civilian unemployment rate should be back above 5.0%. The consumer inflation rate is expected to creep up to 2.4% by 2002. The stock market probably has one more year of double-digit growth (13.2%) in 1999 before it slips to annual growth below 5.0% beginning in 2000. This will also cause household net worth growth to slow. As a result, consumer confidence is expected to slip and real consumer spending should grow more in line with real disposable income over the forecast period. Specifically, real consumer spending growth should be 3.9% in 1999, 2.6% in 2000, 2.1% in 2001, and 1.9% in 2002. Real disposable income is expected to rise 3.6% in 1999, 3.1% in 2000, 2.4% in 2001, and 2.1% in 2002.

Real Spending & Real Income Growth

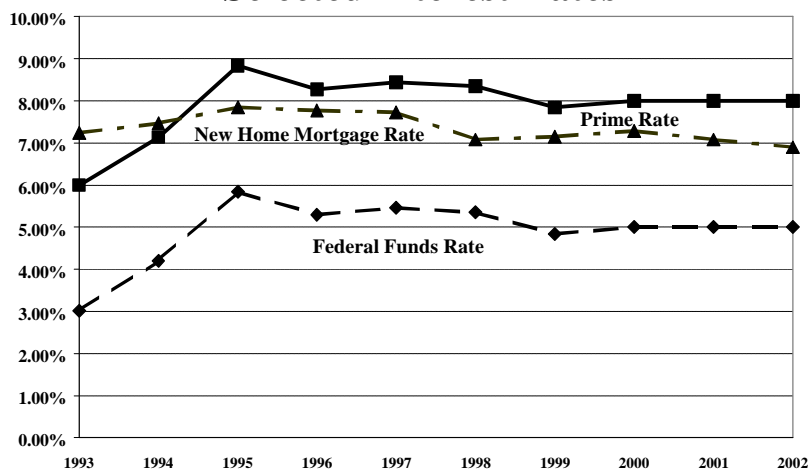


Source: Standard and Poor's DRI

Financial: At times the work of the Federal Reserve resembles the military: long stretches of boredom broken up by moments of sheer terror. The fall of 1998 is an example. After months of inaction, the nation's central bank made three quick moves to lower interest rates when it appeared the U.S. economy was threatened by economic problems abroad. These moves helped to ease fears and helped the U.S. economy put in an especially strong showing at the end of 1998. It now appears that the Federal Reserve has entered a period when little action is expected.

This does not mean the Federal Reserve is sitting back as the economy cruises on autopilot. The nation's central bank is expected to take a “wait and see” course while it continues its vigilant watch

Selected Interest Rates



Source: Standard and Poor's DRI

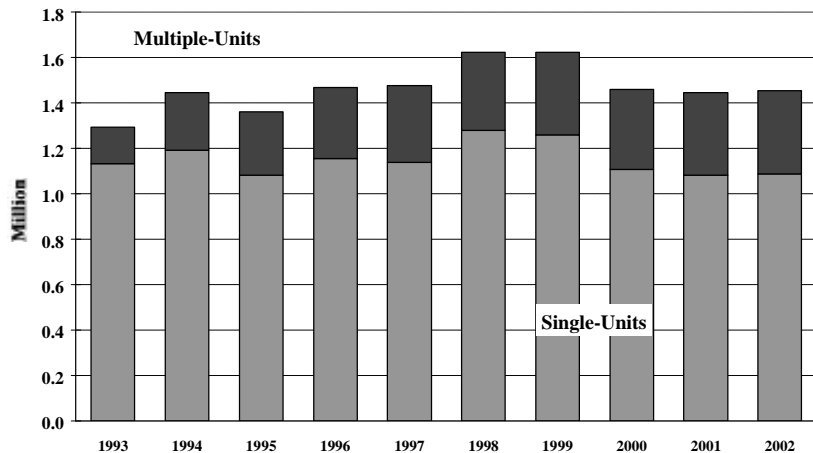
over the economy. No action is expected until later this year. There is no need for the Federal Reserve to tighten because inflation is not a problem. However, inflation should creep up later this year, and this should cause the Federal Reserve to raise interest rates a notch in the second half of this year. This round of tightening is projected to continue over the next year. The federal funds rate should climb to 5.0% in 2000 and remain there through 2002. The stock market surged again in March. DRI is projecting more moderate stock market gains over the next five years.

Housing: Plentiful jobs, the lowest mortgage interest rates since the 1970s, and the booming stock market all helped make last year one of the most memorable ones for the U.S. housing industry. Housing starts topped 1.6 million units in 1998, their strongest showing since 1987. Other measures also testify to this sector's health. Sales of new single-family homes increased by nearly 100,000 units from 1997 to 1998. Existing home sales mirrored this performance. There were over one-half million more existing single-family homes sold

in 1998 than in 1997. Not surprisingly, real construction spending rose over 10% over the same period. Like consumer spending, the housing sector is expected to fare better over the next few years in this forecast compared to the previous one. In the January 1999 *Idaho Economic Forecast* it was projected that national housing starts would fall to about 1.5 million units in 1999. In this *Forecast*, U.S. housing starts hold at 1.6 million units in 1999. However, they do decline in 2000, as the slowing economy takes its toll on consumer confidence. National housing starts are anticipated to be 1.62 million units in 1999, then hover around 1.5 millions units annually thereafter.

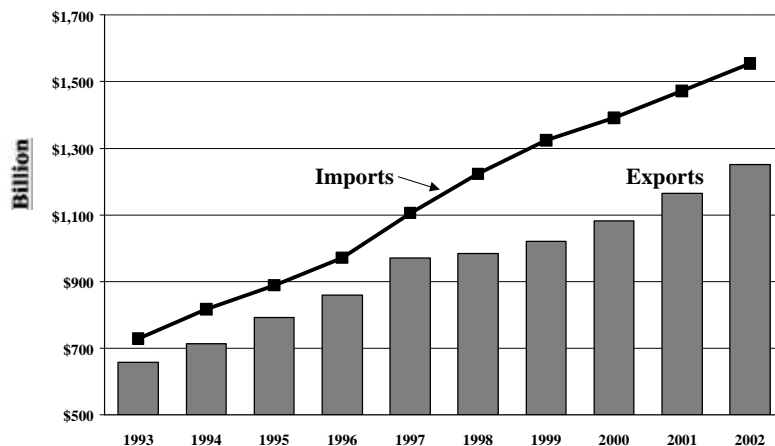
International: This section reviews real export growth prospects for the U.S. over the forecast period. Of course this is tied directly to the outlooks for our major trading partners. The good news is that Asia promises to be less of a drag on the U.S. economy this year than it was last year. The Korean, Thai, and Philippine economies have all apparently turned the corner back to growth. Japan, however, remains mired in recession. It is not expected to return to prosperity until it undertakes meaningful bank reform. Closer to home, Central

U.S. Housing Starts



Source: Standard and Poor's DRI

U.S. Imports and Exports

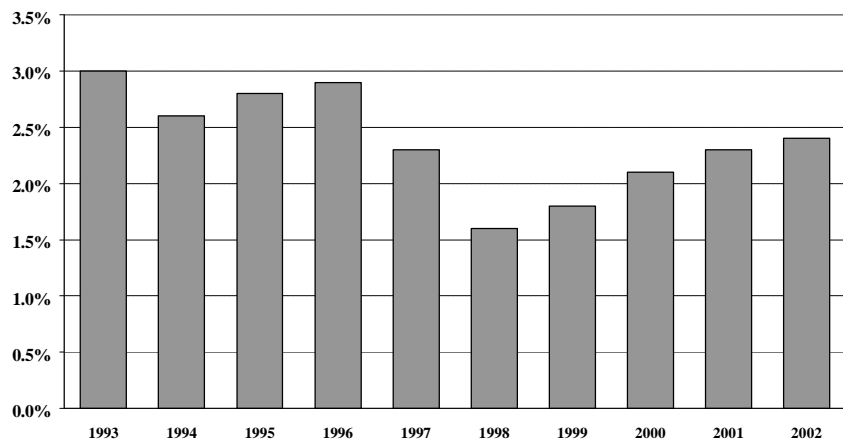


Source: Standard & Poor's DRI

and South America are expected to be a drag on exports, as the impacts of the collapsing Brazilian real infect the region. Argentina will be particularly hard hit because its dollar-pegged currency is pricing it out of Brazil, its most important market. U.S. trade with Latin America (excluding Mexico) is not huge, so the downturns there are unlikely to have as dramatic an impact as the Asian collapse. Mexico should remain relatively unscathed by Brazil's problems. This is because Mexico's trade is focused northward more than southward, so it will benefit from the relatively strong U.S. economy. At our nation's northern border, Canada has shown incredible resilience to soft commodity prices. Like the U.S., robust consumer spending has kept the Canadian economy moving forward. However, a dearth of investment in the commodity sector plus more subdued consumer spending should dampen Canadian growth in 1999. But recovering global demand and firming commodity prices should fuel faster growth in 2000. Europe is a little worrisome. While it has been the second strongest economy behind the U.S., there are signs that European growth is slowing. All three major continental economies (Germany, Italy, and France) have suffered from declining export orders and low investment. There has been some pressure for the European Central Bank (ECB) to lower rates to fix this problem. But the ECB loathes such a move for two reasons. First, this new central bank is determined to prove its independence to the financial world. Second, the central bank is concerned that the newly minted euro will fall further against the dollar, especially if the Federal Reserve raises interest rates later this year. Prospects are a little more promising across the English Channel. (The UK does not belong to the European Union.) In the United Kingdom, the slide in manufacturing activity seems to be nearing an end, following interest rate cuts totaling 200 basis points and sterling's 6% slide against the dollar. Real net exports are expected to worsen before they improve. Specifically, U.S. real net exports (NIPA basis) should be -\$303.6 billion in 1999, -\$308.1 billion in 2000, -\$306.2 billion in 2001, and -\$302.2 billion in 2002.

Inflation: Consumer prices rose just 1.6% in 1998, despite the economy's red-hot performance. The last time prices increased by less than 2.0% was in 1986. One of the main factors behind 1986's low inflation also helped keep down prices last year. That factor was the drop in energy prices. In 1986, the collapse in oil prices caused the energy component of the consumer price index (CPI) to drop 13.2%. Over the last two years the price of oil has nearly halved. As a result, energy prices were virtually flat in 1997 and

Consumer Price Inflation



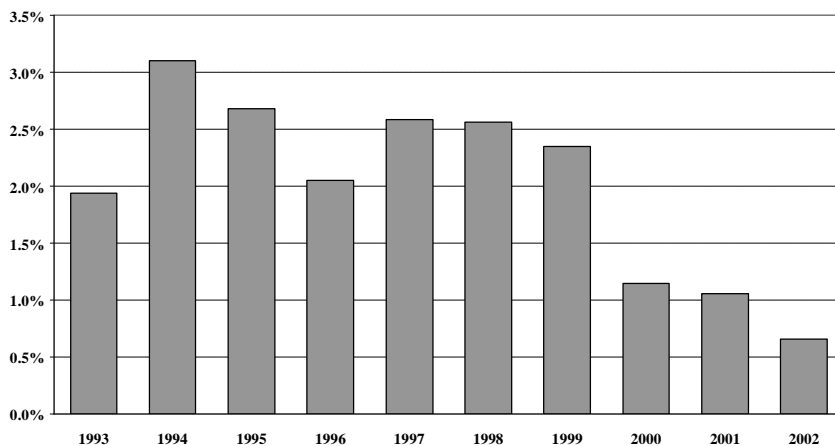
Source: Standard and Poor's DRI

dropped by about 8% in 1998. Much of the weakness of oil prices reflects weak world demand due to the Asian economic crises and strong world supply caused by noncompliance among OPEC members. While there is a natural tendency for cartel members to cheat on agreed production levels, current financial problems in many oil-producing countries have made this an even bigger problem. But low energy prices were not the only thing keeping a lid on inflation. Weak farm prices continued to bedevil American farmers. After dropping 7.7% in 1997, producer-level prices for farm products dropped another 7.4% in 1998. This helped to keep the consumer food price index increase under 2.5% in 1998. Another factor holding inflation down is labor costs. Despite the tight labor market, compensation has been extremely well behaved. For example, the employment cost index for wage and salaries rose 4.0% last year and the cost of benefits increased just 2.5%. This is a reversal from the late 1980s and early 1990s when benefit

costs, led by medical coverage increases, rose much faster than wages and salaries. The current situation partially reflects the cost savings of switching from traditional health care plans to health maintenance organizations. Once this conversion is complete, benefit costs are expected to once again rise faster than wages and salaries. This will put upward pressure on inflation. In addition, energy and food prices are forecast to recover over the forecast period, which will also cause inflation to inch up over the next few years. The consumer price index is expected to rise 1.8% in 1999, 2.1% in 2000, 2.3% in 2001, and 2.4% in 2002.

Employment: Thanks to the improved outlook for the national economy, the projected slowdown in U.S. nonfarm employment growth has been postponed from 1999 to 2000. In the January 1999 *Idaho Economic Forecast* it was reported that U.S. nonfarm employment would grow just 1.3% in 1999. In the current forecast, nonfarm employment is now projected to advance 2.3%—a full percentage point faster. In addition, the 1999 civilian unemployment rate is lower in this forecast than in the previous one,

U.S. Nonfarm Employment Growth



Source: Standard and Poor's DRI

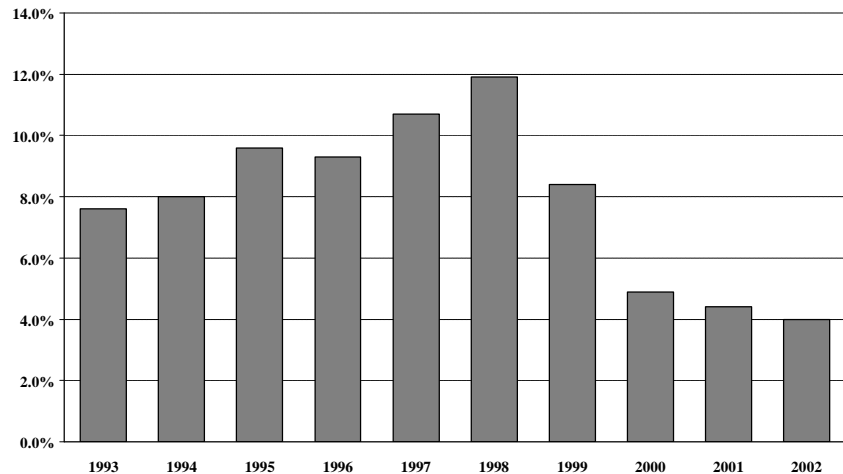
4.3% versus 4.9%. (Despite the stronger job market, consumer inflation is just 1.8% in 1999 compared to the previous forecast's 2.4% rate for the same year. In fact, inflation is lower throughout the forecast period.) The employment slowdown may have been delayed, but it has not been eliminated. In both 2000 and 2001, nonfarm employment will slow to 1.1%. The civilian unemployment rate should also creep up, going from 4.3% this year to 5.1% in 2002. It is helpful to review which sectors will account for job growth in the near future. For all practical purposes, the service-producing sector is now the nation's job market. Manufacturing employment as a share of total nonfarm jobs has shrunk to 15%, while service-producing employment has grown to 80%, with mining and construction accounting for the remainder. Although manufacturing output should continue to grow, productivity gains will reduce the need for more workers. By 2003, manufacturing will account for just 13% of all jobs. Service jobs are expected to fill the void left by disappearing assembly line jobs.

Business Investment: Business investment has contributed more to this expansion than to any of the country's nine expansions following World War II. Indeed, one-fourth of the total GDP growth since 1991 has come from business investment, which is much larger than the average 15% share for the previous eight expansions. This investment has mainly occurred in producers' durable equipment. Over the past five years, equipment investment has averaged 10.3% annual gains. This boom in producers' durable equipment is due to four factors: falling computer prices, strong profits, favorable credit conditions, and competition. Businesses have taken advantage of falling computer prices in recent years; this is the main reason the office machinery component of equipment has averaged 46% annual growth over the past four years. Rising profits have generated much of the cash necessary to fuel the expansion of equipment. Profits have accounted for nearly 8% of GNP during this recession compared with 6.0% in the last expansion. Since internally generated funds are less expensive than borrowed funds, this has bolstered investment. This is not to say that borrowing has been unattractive. To the contrary, shrinking federal government deficits and now-growing surpluses have freed up capital for the private sector. In

addition, the Asian financial crisis has caused a flood of foreign funds into the U.S. Of course, businesses would be foolish to make investments in equipment, no matter how favorable the terms, if economic activity did not warrant these investments. However, current conditions do call for these investments. Facing intense competition both at home and abroad, U.S. businesses realize they must continue to increase their productivity to survive. Computers and other office equipment are the most cost-effective ways to raise

productivity. This increased productivity has helped the economy maintain low unemployment without setting off inflation. Unlike the beginning of 1998, excess inventory build up does not appear to be a problem. During 1999, inventory building associated with Y2K planning should provide a small boost to the economy, before turning neutral in 2000, when those stocks built as a buffer against disruptions are liquidated. One of the reasons this inventory building will have just a slight impact on the economy is because most of the products stockpiled will likely be imported goods. This reflects the feeling that other countries are less prepared for Y2K than the U.S. The strong growth rates of the recent past should prove unattainable over the forecast period. For example, after rising nearly 12% last year, real business investment is forecast to rise 8.4% this year, 4.9% next year, 4.4% in 2001, and 4.0% in 2002.

Real Business Investment Growth



Source: Standard and Poor's DRI

IDAHO FORECAST DESCRIPTION

The Forecast Period is the Fourth Quarter of 1998 to the Fourth Quarter of 2002

The outlook for Idaho's economy has improved significantly in just a few short months. This is most notable in the employment numbers. In the January 1999 *Idaho Economic Forecast* it was projected that nonfarm employment growth would slow to 1.6% this year. Instead of nonfarm employment growth slowing in 1999, is now expected to accelerate slightly (2.7% versus 2.6% in 1998). There are two main reasons for this change. First, revised Idaho nonfarm employment data show there were about 600 more jobs in the first and second quarters of 1998. The previous forecast shows nonfarm employment advancing just 1.4% in the third quarter of 1998 and 1.9% in the fourth quarter. In the current forecast this measure rises to 2.4% in the third quarter and 3.7% in the fourth quarter of 1998. This higher employment raises the starting point for employment in 1999. Second, future Idaho nonfarm employment growth benefits from the stronger outlook for the national economy. It was previously forecast that real GDP would slow to a 1.7% pace this year. However, given its strong finish last year, its expected performance in 1999 has been upgraded. It is currently projected that real GDP will rise 3.7% in 1999, 2.1% in 2000, 2.4% in 2001, and 2.0% in 2002. Idaho nonfarm employment is anticipated to rise 2.7% in 1999, 2.3% in 2000, 2.1% in 2001, and 2.0% in 2002.

Idaho employment is not the only measure whose outlook has improved over the forecast period. Thanks to stronger job growth and lower inflation, Idaho real personal income is expected to grow faster than was previously projected in the short term. Specifically, it should rise 3.8% in 1999, 3.2% in 2000, 2.8% in 2001, and 2.7% in 2002. In the previous forecast it was slated to increase 2.4% in 1999, 2.7% in 2000, 2.6% in 2001, and 2.9% in 2002. Looked at another way, by 2002 Idaho real personal income should climb to \$26.0 billion, compared to \$25.5 billion in the previous forecast. The impact is more noticeable on a per capita basis. In the previous forecast Idaho real personal income per person was estimated at \$19,245 in 2002. In the current forecast it is \$19,840 in that same year.

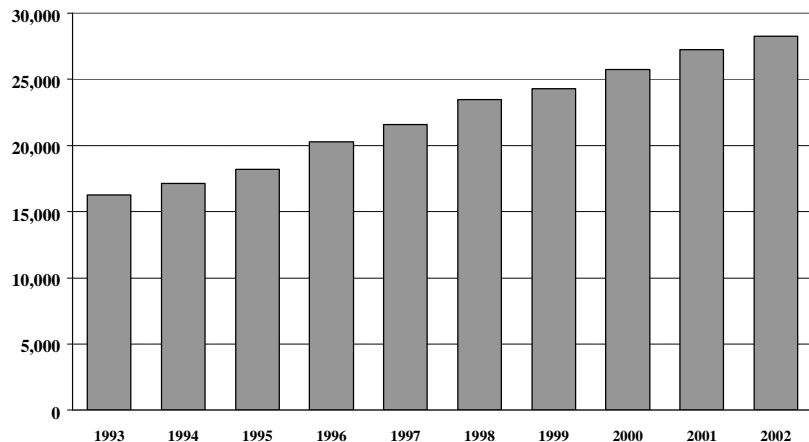
While faster income growth accounts for some of the improvement to per capita income, slower population growth also plays a role. In the previous forecast, Idaho's population was forecast to increase about 1.8% per year. However, U.S. Census Bureau estimates show that it grew by just 1.6% in 1998. One reason that it was weaker is because with the entire nation booming, Idaho was no longer as attractive to job seekers as it was in the early 1990s, when the state was an oasis of prosperity. The current forecast calls for Idaho population to grow 1.6% this year, 1.5% next year, 1.4% in 2001 and 1.5% in 2002.

SELECTED IDAHO ECONOMIC INDICATORS

Electrical and Nonelectrical Machinery: Idaho's electrical and nonelectrical manufacturing sector employment is forecast to slow considerably from the boom levels experienced in the first half of this decade. Boise's two high-tech giants, Micron Technology and Hewlett-Packard, both benefited from the surge in spending on office equipment earlier this decade. In addition, both were well positioned to take advantage of the fastest growing segment of office equipment: computers. Micron, one of the world's largest manufacturers of computer memory, prospered thanks to the strong demand for memory caused by burgeoning personal computer sales and the increased memory demands of both increasingly complex computer hardware and software systems. This bolstered Micron's profits and helped its employment expand rapidly in the early 1990s. Company-wide employment also increased due to the company's diversification into other areas, such as the manufacturing of complete personal computer systems. However, things changed abruptly in 1996. The price of memory chips collapsed that year as Asian competitors flooded the market with memory chips from newly operational plants. This slump still

persists, but there are signs it has bottomed out. The company recently reported it had \$22 million of net income in its most recent quarter. This is an improvement from its \$46 million loss during the previous quarter. Not only has the company survived the recent downturn, but also it seems well positioned to take advantage when the market improves further. Micron completed its purchase of Texas Instruments' memory business in the autumn of 1998. This move should have little short-term impact on Idaho employment.

Idaho Electrical & Nonelectrical Employment



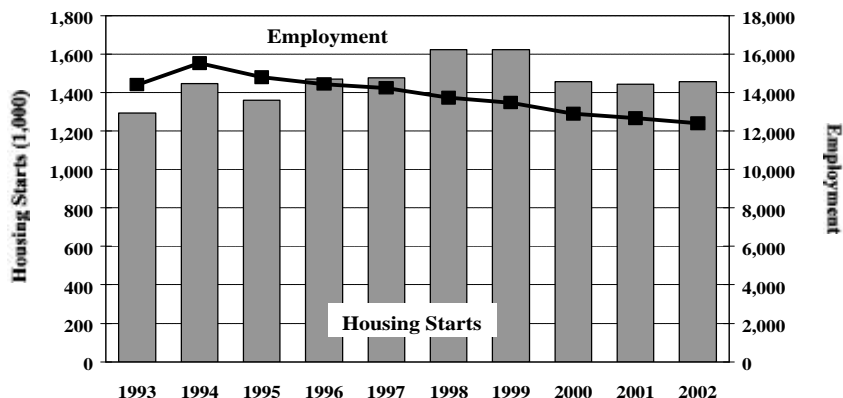
However, it could have a more subtle impact down the road. Micron acquired several semiconductor fabrication plants around the world as part of its Texas Instruments deal. The company also has a mothballed plant in Utah. Thus, the company has significant excess capacity available when the memory chip market turns around. It remains to be seen whether its Idaho employment will surge again when boom times return to the semiconductor industry. In October, Intel invested \$500 million in Micron. This investment was made to assist Micron's development of the next generation of memory products, and helps Micron remain a cutting-edge player in the global market. Favorable markets also fueled Hewlett-Packard's expansion at its Boise site. The demand for this company's popular laser printers and the other products developed and manufactured in Boise helped its local employment swell to over 5,000. In the mid-1990s, the company refocused the Boise site's mission away from production toward research and development. As a result, the surface mount and hard drive manufacturing operations at the Boise plant were dropped. This took employment down to about 4,000. In a similar move, Hewlett-Packard recently sold the manufacturing assets of its formatter board manufacturing operations to Jabil Circuit, Inc. This lowered Hewlett-Packard's employment by another 300 jobs. However, this has had a negligible impact on this sector's employment because Jabil has hired most of Hewlett-Packard's formatter operation's staff and kept them in Boise. This winter Hewlett-Packard announced it was splitting into two distinct and strategically focused companies. One will focus on the measurement business and the other will concentrate on computing and imaging businesses. The Boise site will be part of the latter. This move is not expected to have an impact on employment at the Boise campus. Idaho electrical and nonelectrical employment is forecast to rise 3.5% in 1999, 6.1% in 2000, 5.7% in 2001, and 3.9% in 2002.

Lumber and Wood Products: Idaho lumber and wood products employment is projected to decline over the forecast period. This is the continuation of a trend that began in 1995. Employment in this huge manufacturing sector dropped from approximately 15,500 in 1994 to about 14,800 in 1995. From 1995 to 1998 another 1,000 jobs have been lost. Half of this decline occurred in 1998. Several factors contributed to this sector's disappointing year. About 40 positions were lost when Boise Cascade closed its Horseshoe Bend Mill in the fall of 1998. But bad news was not limited to Southern Idaho. About 50 workers lost their jobs when the Gem State Lumber Company Mill was salvaged. Benewah County lost its second largest employer when Rayonier Incorporated decided not to rebuild its Plummer sawmill that burned last July. Nearly 125 employees worked at the sawmill before the fire. In November 1998, Crown Pacific announced that it would close its Colburn, Idaho sawmill in January 1999. Nearly 100 workers were affected by the closure. Company officials cited low lumber prices and the sawmill's age as the reasons for the closure. In other news affecting the Panhandle's lumber and wood products sector, last fall Louisiana Pacific put its Chilco and Sandpoint operations up for sale. The current problems for lumber

and wood products have both demand and supply roots. The strong dollar and weak Asian economies have hurt the demand for lumber and wood product exports. However, demand problems have spilled over into the supply side of the market. Exports that would have gone to these foreign markets have been redirected to the U.S. market, putting downward pressure on prices. This situation has not been unique to the U.S. Canadian exports have also been hit by the Asian economic crises. As a result, Canadian producers have

shifted their export focus from west to south, hoping to sell more products in the U.S. Their relatively weak currency and the booming U.S. housing market have aided their efforts. These are short-term challenges. The major long-term challenge facing this industry is the dwindling supply of timber from public lands. The Northwest has traditionally been dependent on timber from federal lands. In recent years the supply of logs from these public lands has fallen. The uncertainty of public timber supply should limit future investment and employment in the Gem State's lumber and wood products sector. From 1998 to 2002, Idaho lumber and wood products employment is projected to fall from 13,735 to 12,406.

Idaho Lumber & Wood Products Employment and U.S. Housing Starts



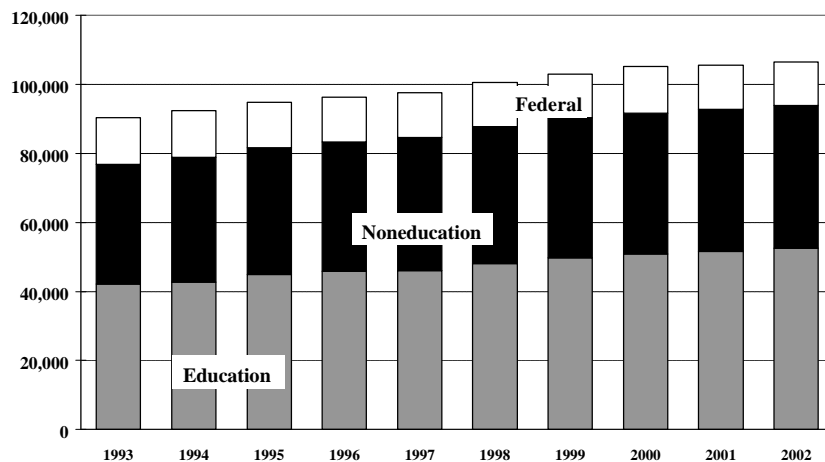
Sources: Standard and Poor's DRI and DFM

Federal, State, and Local

Governments: Absent a booming economy and strong population growth, Idaho state and local government growth should slow over the forecast period. Idaho state and local employment advanced over 3.5% annually during the first half of this decade, which was more than twice the national average. However, this advantage will shrink over the forecast period. In addition to slower economic and population growth, laws aimed at limiting the growth of local government budgets will further temper the

employment outlook. After advancing 2.8% this year, Idaho state and local employment is forecast to grow about 1.3% annually. This is slightly slower than its national counterpart. It is sometimes helpful to break Idaho state and local government into its components. Education-related employment should grow slightly faster than the Idaho government average. Specifically, Idaho education-related government employment is projected to expand 2.3% annually from 1998 to 2002, from about 48,000 to just over 52,500. On the other hand, Idaho noneducation government employment should rise just 0.9% per year. However, it should fare better than the federal employment in Idaho. Thanks to continued federal austerity measures, Idaho federal government employment is anticipated to decline over the next few

Idaho Government Employment

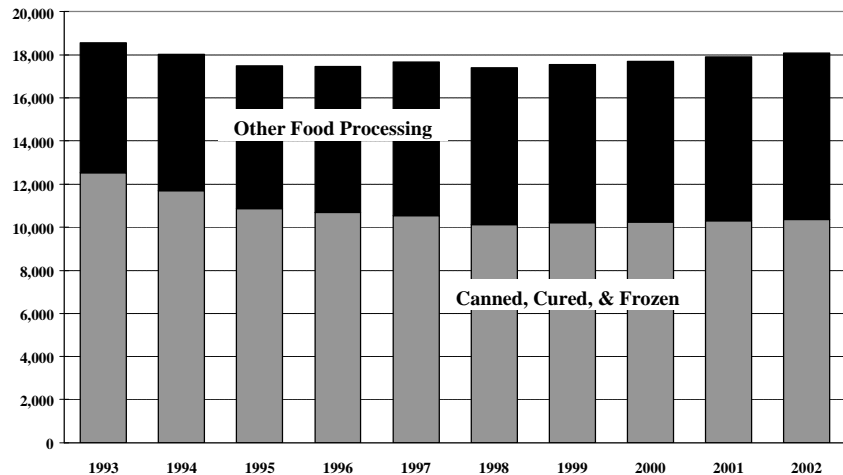


years, going from 12,753 in 1998 to 12,696 in 2002. The hiring of temporary workers for Census 2000 in the beginning of 2000 should provide a brief respite from declines.

Food Processing: Idaho's largest nondurable manufacturing sector suffered a blow last fall when H.J. Heinz Company announced that it would consolidate Ore-Ida Foods Incorporated and Weight Watchers Gourmet Food Company into a new Pittsburgh-based entity called Heinz Frozen Food Company. It was originally estimated the move would cost approximately 400 jobs in Idaho. This number included nearly 250 jobs at Ore-Ida's Boise headquarters. It was calculated that this would leave about 85 employees at its Boise office. This winter,

Ore-Ida officials announced that the company would be closing its Boise office, so these 85 jobs will also be lost. In addition, nearly 150 workers at the Weight Watchers Pocatello plant will also lose their jobs. These declines follow the loss of about 150 positions that resulted from the sale of Ore-Ida's food service business to McCain Foods of Canada. The J.R. Simplot Company, which recently went through its own bout of downsizing, recently invested \$7 million in new equipment at its Heyburn plant. At one point there was talk of layoffs at this plant, but strong demand for its products actually stepped up production. In other food processing news, Cassia County officials have approved a plan to build a \$12 million hog farm south of Burley. It is anticipated that this facility would generate 20 to 25 jobs. The Gem State's food processing employment is forecast to decline 1.5% in 1998 then rise about 1.0% annually through 2002.

Idaho Food Processing Employment

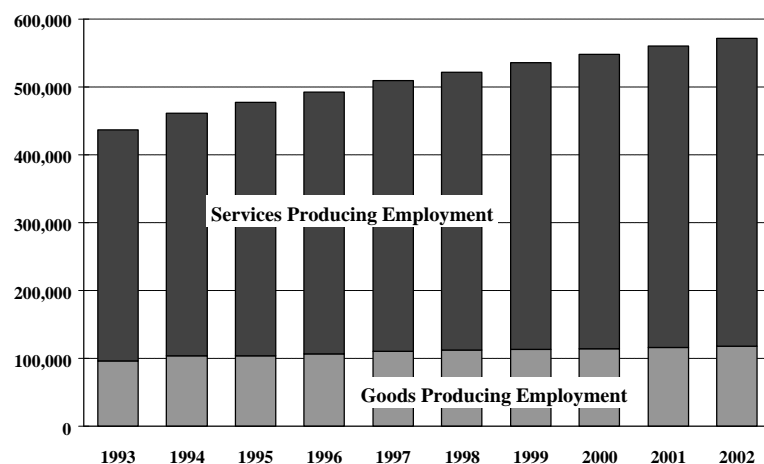


Services-Producing Industries:

The services-producing sector is the state's largest and most diverse employment category. There were nearly 400,000 service-producing jobs in 1997, which was nearly eight of every ten jobs in Idaho. This category includes finance, insurance, and real estate; transportation, communications, and public utilities; trade; services; and government. Not surprisingly, this sector has been the major engine of growth over the last few years. Over the ten years from 1987 to 1997 Idaho has gained 135,000 services-producing jobs.

This represents more than three-quarters of the state's total nonfarm job increase during that same period. This growth is attributable to the positive influences of favorable cyclical and structural factors. Structural

Idaho Nonfarm Employment

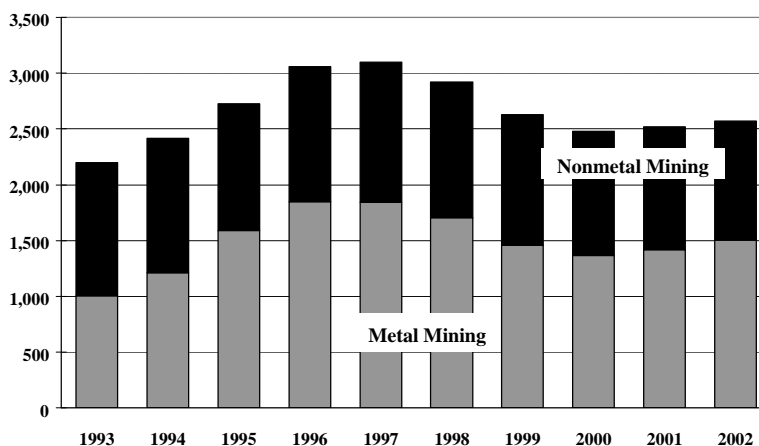


changes include the movement of certain “back office” operations into the state. Two examples of this are the Sears Regional Credit Center and the MCI Call Center, both based in Boise. The services-producing sector has also been bolstered by ongoing structural changes. One of the most significant trends has been the increasing number of women in the labor force. This has raised the demand for a wide range of goods and services, such as childcare and meals away from home. Another change agent has been the growing number of single-person and single-parent households, due partly to the increasing number of persons delaying their first marriages and the greater number of divorced persons. All of these factors will continue to play a role in the future of the trade and services sectors. Other demographic trends also figure in this sector’s future. Most notably, as this country’s baby-boom generation ages, it will strain the supply of existing services for the aged. In addition, this generation of older persons will probably be healthier than previous generations and will demand more recreational/leisure services. Employment levels can also be significantly affected by non-economic factors. For example, a reclassification of employees can change the total number of jobs in this category. This is what happened to the 1998 job count. Many readers will notice that there has been a significant drop compared to the previously reported numbers. This is because U.S. Bureau of Labor Statistics determined that 3,600 of the Idaho jobs reported as noncovered real estate should be classified as self-employed. Since the nonfarm numbers do not include the self-employed, the 1998 first and second quarter counts of service employment are now both around 3,000 lower than was previously estimated. Idaho services-producing employment is forecast to rise 2.8% in 1998, 3.1% in 1999, 2.7% in 2000, 2.2% in 2001, and 2.2% in 2002.

Mining: The next few years promise to be challenging ones for the state’s mining sector. This industry got a peek at what lies in store for it when employment dropped in 1998 for the first time since 1993. Despite a booming national economy, metal prices have suffered from a deflationary trend. Zinc, lead, and molybdenum prices fell below last year’s average. Lower prices contributed to the decision to cut production and lay off 75 of the 250 employees at the Thompson Creek molybdenum mine and mill in Custer County. The Deleamar

Mine in Owyhee County fell victim to low gold prices. Metal mining was not the only category to face challenges. In addition to the slowing economy, nonmetal mining employment will suffer under the additional weight of construction and agricultural problems. The expected flattening of the construction industry will hurt certain nonmetal mining sectors, such as rock quarrying, sand, and gravel. Agricultural woes will probably result in a reduction of shrinking acreage and fertilizer production. This will affect companies in Southeast Idaho where both phosphorus ore is mined and fertilizer is manufactured. However, metal mining should take the biggest hit. Its employment is forecast to drop from 1,708 in 1998 to 1,369 in 2000. After 2000, metal mining employment should rise slowly. However, as has been the trend, metal mining employment is not expected to reach its previous peak. Specifically, Idaho metal mining employment is expected to go from 1,710 in 1998 to 1,619 in 2002. Idaho nonmetal mining employment is projected to decline from 1,215 to 1,065 over this same period. Overall, total mining employment in the Gem State should drop from 2,922 in 1998 to 2,570 in 2002.

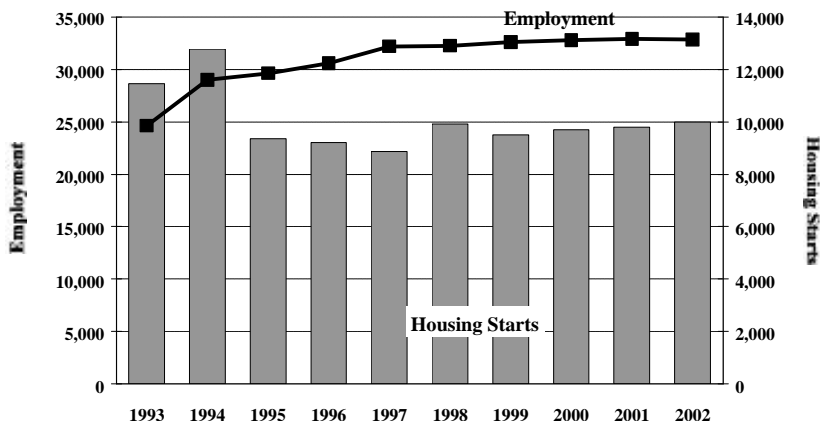
Idaho Mining Employment



Construction: The state's construction industry experienced mixed results in 1998. First Security Bank reports that after declining in both 1996 and 1997, Idaho construction value set a new record in 1998. Leading this climb was single-family homes, whose value jumped over 25% last year. Nonresidential construction value also showed a strong gain, rising nearly 12% in 1999. Not all of the construction category values increased, however. The value of Idaho multi-unit construction was down about 20%. Alteration and repair value was off 16% from the

previous year, which more than offset the gain in nonresidential value. The number of housing permits issued last year was up 8.4% from 1997, thanks to strong single-unit activity. In contrast, multi-family housing permits slipped 29% in 1998. This is consistent with the housing start data that show the number of single-family starts in Idaho rose 16% while multi-family starts fell just under 16%. Despite gains in construction value, permits, and starts, Idaho construction employment was virtually flat, gaining just 60 jobs from 1997 to 1998. The combination of higher interest rates and slower economic growth do not bode well for this industry. It is projected that total housing starts in Idaho will decline by about 400 units from 1998 to 1999. However, it should post a steady recovery thereafter, rising to 10,000 starts in 2002. Idaho construction employment follows a similar pattern. The number of construction jobs in Idaho rises 1.1% in 1999, 0.5% in 2000, 0.4% in 2001, and declines 0.2% in 2002.

Idaho Construction Employment and Housing Starts



FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is influenced by a myriad of local, national, and international factors. Therefore, changes to the projected values of such diverse variables as oil prices, interest rates, and national housing starts can have an effect at the state level. In order to account for the effects of such changes on the state's economy, each issue of the *Idaho Economic Forecast* uses DRI's most recent forecast of the U.S. economy. Additional data, such as company-specific expansions and/or contractions are also considered.

The following comparison table shows how the outlooks for several key Idaho and national economic series have changed from the January 1999 to the April 1999 *Idaho Economic Forecasts*. The January 1999 Idaho forecast was based on DRI's November 1998 U.S. macroeconomic forecast and the April 1999 Idaho forecast is driven by DRI's March 1999 forecast.

This section reviews the differences between the current and previous *Idaho Economic Forecasts*. Even the most cursory review of the table on the facing page would lead to the conclusion that the outlook for the U.S. economy has improved markedly compared to the forecast that was published in January 1999. The evidence is consistent. Nominal GDP is slightly higher in each year of the forecast, except for 2002. However, when adjusted for inflation, the differences between the current and previous GDP forecasts grow. Specifically, real GDP is about 2.0% stronger in this forecast than in the previous one. This is because the expectation of stronger nominal output is reinforced by the lower inflation forecast. Other key measures have also improved. National nonfarm employment is expected to be about 1.0% higher in 1999, 2000, and 2001 than was forecast in January 1999, with both the goods- and services-producing sectors showing improvements. The stronger employment and lower inflation help to improve real personal income over the forecast period. This measure of the economy's health goes from being 1.5% stronger than previously forecast in 1999 to 2.0% stronger in 2002.

Not surprisingly, the future of Idaho's economy has also brightened. In the previous forecast, it was projected that the Gem State's economy would slow considerably this year and improve just slightly thereafter. However, the forecast of a stronger economy and evidence of strong Idaho job growth have improved the state's outlook. We now expect Idaho nonfarm employment to peak at 2.7% in 1999 and gradually slow to 2.0% in 2002. The most notable improvement to employment should be in the goods-producing sector, where the increase is expected to be almost 4,800 in 2001. Idaho real income improves over the forecast period. It is 1.1% higher than previously forecast in 1999 and is 1.6% higher by 2002.

IDAHO ECONOMIC FORECAST
FORECASTS COMPARISON
DIFFERENCES BETWEEN APRIL 1999 AND JANUARY 1999 FORECASTS

	1998	1999	2000	2001	2002
GDP (BILLIONS)					
Current \$	22	132	38	26	-65
% Difference	0.3%	1.5%	0.4%	0.3%	-0.6%
1992 Chain-Weighted	21	167	152	179	142
% Difference	0.3%	2.2%	1.9%	2.2%	1.7%
PERSONAL INCOME - CURR \$					
Idaho (Millions)	-68	89	11	-106	-360
% Difference	-0.3%	0.3%	0.0%	-0.4%	-1.1%
U.S. (Billions)	6	51	35	11	-60
% Difference	0.1%	0.7%	0.4%	0.1%	-0.7%
PERSONAL INCOME - 1992 \$					
Idaho (Millions)	-47	267	409	459	400
% Difference	-0.2%	1.1%	1.7%	1.8%	1.6%
U.S. (Billions)	9	97	139	158	138
% Difference	0.1%	1.5%	2.1%	2.4%	2.0%
TOTAL NONFARM EMPLOYMENT					
Idaho	-1,779	3,419	4,468	4,412	1,943
% Difference	-0.3%	0.6%	0.8%	0.8%	0.3%
U.S. (Thousands)	46	1,393	1,297	1,122	271
% Difference	0.0%	1.1%	1.0%	0.9%	0.2%
GOODS PRODUCING SECTOR					
Idaho	748	3,755	3,777	4,759	5,103
% Difference	0.7%	3.4%	3.4%	4.3%	4.5%
U.S. (Thousands)	29	570	308	168	-141
% Difference	0.1%	2.3%	1.3%	0.7%	-0.6%
SERVICE PRODUCING SECTOR					
Idaho	-2,527	-336	691	-347	-3,160
% Difference	-0.6%	-0.1%	0.2%	-0.1%	-0.7%
U.S. (Thousands)	17	823	989	954	411
% Difference	0.0%	0.8%	0.9%	0.9%	0.4%
FINANCIAL MARKETS					
Federal Funds Rate	-0.1	0.5	0.9	0.5	0.5
Bank Prime Rate	0.0	0.5	0.9	0.5	0.5
Mort Rate, New Homes	-0.1	0.5	0.9	0.6	0.3
INFLATION					
GDP Price Deflator	0.0	-0.7	-1.7	-2.3	-2.8
Personal Cons Deflator	-0.1	-0.9	-1.9	-2.6	-3.3
Consumer Price Index	-0.1	-1.1	-2.1	-2.9	-3.7

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ALTERNATIVE FORECASTS

DRI has assigned a 60% probability of occurrence to its March 1999 baseline forecast of the U.S. economy. The major features of this forecast include:

- Real GDP growth is 3.7% in 1999, then slows to 2.1% in 2000, rises to 2.4% in 2001; and slides to 2.0% in 2002.
- U.S. nonfarm employment growth is 2.3% this year, then averages about 1.0% thereafter;
- the U.S. civilian unemployment rate rises gradually over the forecast period, but remains well below the full-employment level;
- consumer confidence peaks in 1999, then slowly tapers off over the forecast period;
- consumer inflation accelerates from 1998's 1.6%, but remains under 2.5% through 2002;
- the federal budget posts surpluses in each year of the forecast;
- and the U.S. merchandise trade deficit widens.

While the baseline scenario represents the most likely path for the national economy over the next few years, the uncertainties surrounding several key variables mean that other outcomes are also possible. To account for this, DRI prepares alternative forecasts based on different assumptions regarding these key variables. Two of these alternative forecasts, along with their impacts on the Idaho economy, are discussed below.

While it is believed the economy will not suffer a recession over the forecast period, it should be noted that the risk of a recession is high. A review of the probabilities of occurrence for each forecast scenario shows this. The baseline does not include a recession and its probability of occurrence is 60%. However, both of the alternative scenarios do contain recessions and each has a probability of occurrence of 20%. Thus, their combined probability of occurrence is 40%. This implies the chances of the economy suffering a recession are nearly even with the economy escaping a recession.

PESSIMISTIC SCENARIO

Interestingly, both alternate scenarios revolve around a sharp stock market correction. The major difference between these two alternatives stems from the timing of the correction. In the *Pessimistic Scenario* the correction happens sooner than later. This scenario has been assigned a 20% probability of occurrence with another round of Asian currency depreciation leading to a sharp drop in the U.S. stock market. Because of America's already low savings rate and high level of wealth, consumers are more sensitive to stock market declines than in the past. The decline in share prices quickly undermines consumer confidence and thus consumer spending. With the loss of this important growth engine, the economy suffers a recession in 2000. This downturn is exacerbated by the Y2K problem, as productivity disruptions caused by computer failures and imbedded microchips cause severe production losses.

Fortunately, Federal Reserve reaction to the recession should be swift. As was demonstrated by the interest rate cuts in the fall of 1998, Chairman Greenspan is not willing to let the current expansion die on his watch. Likewise, the Federal Reserve is expected to make a series of sharp reductions to

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BASELINE AND ALTERNATIVE FORECASTS
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	BASELINE				PESSIMISTIC				LATE RECESSION			
	1999	2000	2001	2002	1999	2000	2001	2002	1999	2000	2001	2002
GDP (BILLIONS)												
Current \$	8,907	9,196	9,574	9,949	8,897	8,917	9,178	9,623	8,922	9,288	9,640	9,737
% Ch	4.7%	3.2%	4.1%	3.9%	4.5%	0.2%	2.9%	4.8%	4.8%	4.1%	3.8%	1.0%
1992 Chain-Weighted	7,828	7,989	8,178	8,342	7,820	7,769	7,930	8,214	7,828	8,006	8,117	8,049
% Ch	3.7%	2.1%	2.4%	2.0%	3.5%	-0.6%	2.1%	3.6%	3.7%	2.3%	1.4%	-0.8%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	27,164	28,471	29,837	31,264	27,154	28,139	29,230	30,596	27,196	28,679	30,137	31,237
% Ch	5.0%	4.8%	4.8%	4.8%	5.0%	3.6%	3.9%	4.7%	5.1%	5.5%	5.1%	3.7%
U.S. (Billions)	7,476	7,782	8,099	8,411	7,473	7,643	7,822	8,135	7,484	7,845	8,189	8,337
% Ch	4.9%	4.1%	4.1%	3.9%	4.9%	2.3%	2.3%	4.0%	5.0%	4.8%	4.4%	1.8%
PERSONAL INCOME - 1992 \$												
Idaho (Millions)	23,816	24,584	25,267	25,938	23,815	24,418	25,022	25,777	23,800	24,545	25,146	25,560
% Ch	3.8%	3.2%	2.8%	2.7%	3.8%	2.5%	2.5%	3.0%	3.7%	3.1%	2.5%	1.6%
U.S. (Billions)	6,556	6,721	6,860	6,979	6,555	6,634	6,698	6,855	6,551	6,715	6,835	6,823
% Ch	3.7%	2.5%	2.1%	1.7%	3.7%	1.2%	1.0%	2.4%	3.6%	2.5%	1.8%	-0.2%
TOTAL NONFARM EMPLOYMENT												
Idaho (Thousands)	535.6	548.2	559.8	571.0	535.5	543.8	552.6	567.9	535.6	548.4	558.4	561.5
% Ch	2.7%	2.3%	2.1%	2.0%	2.6%	1.5%	1.6%	2.8%	2.6%	2.4%	1.8%	0.6%
U.S. (Millions)	128.8	130.2	131.6	132.5	128.7	128.3	128.1	130.1	128.8	130.5	131.4	129.1
% Ch	2.3%	1.1%	1.1%	0.7%	2.3%	-0.3%	-0.2%	1.6%	2.3%	1.3%	0.7%	-1.7%
GOODS PRODUCING SECTOR												
Idaho (Thousands)	112.9	114.2	116.2	117.6	112.8	111.1	112.8	117.1	113.0	114.8	115.8	112.8
% Ch	1.2%	1.2%	1.7%	1.2%	1.1%	-1.5%	1.5%	3.9%	1.2%	1.7%	0.8%	-2.6%
U.S. (Millions)	25.1	24.4	24.1	23.7	25.1	23.7	22.8	23.0	25.1	24.5	24.1	22.7
% Ch	-0.7%	-2.7%	-1.4%	-1.3%	-0.8%	-5.4%	-3.7%	1.0%	-0.7%	-2.4%	-1.7%	-5.8%
SERVICE PRODUCING SECTOR												
Idaho (Thousands)	422.7	434.0	443.6	453.4	422.7	432.7	439.8	450.7	422.6	433.5	442.6	448.7
% Ch	3.1%	2.7%	2.2%	2.2%	3.1%	2.4%	1.7%	2.5%	3.0%	2.6%	2.1%	1.4%
U.S. (Millions)	103.7	105.8	107.6	108.7	103.7	104.6	105.2	107.0	103.7	106.0	107.4	106.5
% Ch	3.1%	2.1%	1.6%	1.1%	3.1%	0.9%	0.6%	1.7%	3.1%	2.2%	1.3%	-0.8%
FINANCIAL MARKETS												
Federal Funds Rate	4.8%	5.0%	5.0%	5.0%	4.8%	4.5%	4.3%	4.2%	4.7%	4.9%	5.8%	4.9%
Bank Prime Rate	7.8%	8.0%	8.0%	8.0%	7.8%	7.5%	7.3%	7.2%	7.8%	7.9%	8.8%	7.9%
Mort Rate, New Homes	7.1%	7.3%	7.1%	6.9%	7.2%	7.3%	7.1%	7.0%	7.1%	7.1%	7.6%	7.8%
INFLATION												
GDP Price Deflator	1.0%	1.2%	1.7%	1.9%	1.0%	0.9%	0.8%	1.2%	1.1%	1.8%	2.4%	1.8%
Personal Cons Deflator	1.2%	1.5%	2.0%	2.1%	1.2%	1.1%	1.4%	1.6%	1.4%	2.3%	2.6%	2.0%
Consumer Price Index	1.8%	2.1%	2.3%	2.4%	1.8%	1.6%	1.6%	1.9%	2.0%	2.7%	3.0%	2.3%

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short-term rates. This should get the economy back in growth mode in short order. The nation's central bank is able to take this action because inflation should still be low in 2000. Another reason the recession should be short lived is the improvement of Asian economies around that same time.

The U.S. recession serves a blow to the Idaho economy from which it is slow to recover. Idaho nonfarm employment, which is projected to grow at least 2.0% per year in the baseline case, drops to about 1.5% growth in 2000 and 2001. And despite a 2.8% growth spurt in 2002, nonfarm employment fails to make up lost ground. In 2002, Idaho nonfarm employment is 567,900, about 3,000 lower than in the baseline case. Idaho real personal income follows a similar path. Its growth rate dips to 2.5% in both 2000 and 2001, compared to about 3.0% in the baseline forecast. By 2002, it is \$160 million lower than in the baseline.

LATE-RECESSION SCENARIO

The *Late-Recession Scenario* has also been assigned a 20% probability of occurrence. In this scenario, the stock market correction comes later than in the *Pessimistic Scenario*, but with more dire consequences. Under this scenario, real GDP during 1999-2000 is stronger than in the baseline. This is because consumer spending continues to boom. Inflationary pressures build in the surging economy. Tighter labor markets push inflation higher. In addition, rebounding commodity prices, caused by strong demand both at home and abroad, add more fuel to inflation fires. The dollar slips against other currencies. Although the economy is ripe for an interest rate hike, the Federal Reserve delays tightening because of higher inflation.

With inflation running near 4.0% in late 2000, the Federal Reserve can no longer ignore it and is forced to raise short-term rates. The stock market keeps climbing through 2000, reflecting the stronger economic growth and low interest rates. When the correction does come, it damages consumer wealth and confidence. Demand is hurt further by rising interest rates that choke off business investment. The result is a recession that starts in 2001 and is more severe than the one forecast in the *Pessimistic Scenario*.

In this scenario, the Idaho economy is slightly stronger in the early years of the forecast, but weakens in the latter years. Specifically, nonfarm employment grows 2.4% in 2000 compared to the baseline's 2.3%. However, employment growth starts trailing off soon after, going from 1.8% in 2001 to 0.6% in 2002. Idaho real personal income growth slows steadily over the forecast period. It is 3.7% in 1999, 3.1% in 2000, 2.5% in 2001, and 1.6% in 2002.

A BETTER CPI^{*}

Allison Wallace and Brian Motley

The monthly consumer price index (CPI) is the most oft-cited measure of inflation and one of the most important and closely watched statistics in the U.S. economy. It is an indicator of how well the Federal Reserve is doing in achieving and maintaining low inflation, and it also is used to determine cost-of-living adjustments for many government programs, collective bargaining contracts, and individual income tax brackets.

Since 1995, the Bureau of Labor Statistics (BLS) has been eliminating biases that cause the index to overstate inflation, and further changes will come in January 1999. These changes are expected to create a more reliable index and by 1999 will have lowered measured CPI inflation by more than half a percentage point. Although this may seem like a small change, the effect of these changes is permanent so that measured inflation will be lower by this amount in all future years.

It is important that the CPI should measure inflation accurately or that the degree of bias be known. Macroeconomic policymakers such as the Fed then can take appropriate steps to keep inflation low, and the public can be informed about their successes and failures in achieving their goal. Also, if the CPI does not measure inflation correctly, cost-of-living adjustments based on it will have different effects from those desired when the commitments to make these adjustments were made. For example, adjusting Social Security benefits based on an upwardly biased CPI may shift spending power from the young toward the old.

This article will explain the types of biases that cause the CPI to overstate inflation, BLS actions to remove these biases, and the possible implications for monetary policy.

Sources of Bias in the CPI

The BLS has been studying possible biases in the CPI for a long time. The issue gained national prominence in 1996 when the Congress commissioned a panel of experts on price measurement issues, chaired by Michael Boskin of Stanford University, to examine biases in the CPI. Their report, "Toward a More Accurate Measure of the Cost of Living," identified four major sources of bias and estimated that they caused the CPI to overstate inflation by 1.1 percentage points per year at that time.

Substitution bias. Substitution bias occurs because the CPI measures the price changes of a fixed basket of goods and services and thus does not capture the savings that households enjoy when they change their spending in response to relative price changes of goods and services. For example, a rise in the price of beef leads people to buy more chicken in order to keep their food costs down. The Boskin report identifies two types of substitution bias. The first, estimated to raise measured inflation by 0.25 percentage point annually, is lower-level substitution bias and occurs when consumers substitute between similar items within a category (e.g., substituting between pippin and gala apples). The second type, estimated to boost inflation by 0.15 percentage point annually, is called upper-level substitution bias and occurs when consumers substitute between items from different categories (computers for television sets, for example) in response to price changes.

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Currently, the market basket that is priced is updated approximately once a decade. The new basket, based on consumers' purchases in 1993-1995, was introduced into the index earlier last year. As we move further away from this date, upper-level substitution bias may increase as spending patterns move away from the basket on which the present CPI is based.

Outlet bias. This type of bias is similar to substitution bias, but refers to where households shop rather than to what they purchase. Over the past 15 years, for example, the growth of discount stores has helped consumers lower their expenditures by offering high-volume purchases at reduced prices. The expansion of these establishments has not been adequately represented in the CPI, thus creating an upward bias of prices estimated at 0.1 percentage point per year. A similar problem may arise in the future as shopping online becomes more widespread.

New product bias. This bias occurs because new products, such as VCRs and cellular phones, are not introduced into the index until they are commonplace items. This means that the substantial price decreases and quality increases that occur during the early years following introduction are not captured by the index. A problem of dealing with this bias is that the BLS can never know in advance which of the many new products introduced each year will be successful and hence worthy of inclusion in the CPI.

Quality bias. This bias arises because some of any increase in the price of an item may be due to an improvement in quality, rather than being a pure price increase. For example, when car prices rise, this may be due to the addition of seat belts, air bags, or anti-smog devices, or to pure price inflation. In the case of cars, the BLS often uses the price of the new item as an optional feature before it becomes standard equipment as an indicator of what the improvement is worth to consumers. Quality improvements in other areas—such as medical care—are more difficult to measure so that bias is more likely to occur. And features of a product that become mandatory—such as seat belts, which buyers are forced to purchase even if they would prefer not to—are particularly difficult to handle.

The combination of quality bias and new product bias was estimated by the Boskin Commission to boost measured inflation by 0.6 percentage points annually. Any estimate of this magnitude, though, is inherently subjective and subject to debate.

Changes in the CPI since 1995

The BLS began to address the bias in the CPI even before the Boskin Commission was convened. For example, in 1995 the BLS introduced a new sampling procedure to determine which outlets to visit to obtain price data for specific items and what weights to apply to those item prices. The old procedure put too much weight on items that were temporarily cheap at that outlet, so when their prices rose back to their normal level, this registered as an increase in inflation. That same year, the BLS also revised sampling methods to remove the effects of substituting between brand drugs and generic drugs. In 1997, the BLS adopted some of the procedures used to measure hospital prices that are used in the producer price index.

Spurred by the work of the Boskin Commission, the BLS introduced further changes to confront substitution and outlet bias. The BLS has sought added funds to update the commodity and outlet samples more frequently and to do so at lower cost. Updating the commodities and the outlets more often should reduce substitution bias by allowing the published index to include more of households' responses to observed price changes. There also have been attempts to reduce quality bias. For example, the BLS is expanding the use of hedonic regressions to compare quality differences. Hedonic

regressions attempt to estimate econometrically the value that households put on quality differences. These methods are currently used for measuring quality distinctions in the categories of apparel, rent, and computers and peripheral equipment, and as of January 1999, they will be used for television prices. Research is underway to extend this technique to other categories.

Planned Changes

Future changes will address substitution and new product bias further. Beginning next January, the BLS will attempt to reduce lower-level substitution bias by using a geometric mean formula to calculate price changes for many of the basic categories of the CPI. The geometric mean formula assumes the household spends the same proportion of its outlays on each category; the arithmetic mean, which is now in use, assumes the household always buys the same quantity of each item. Using the geometric mean implies that if the price of pippin apples rises 10%, the quantity of pippins bought decreases 10%, so that the average household spends the same amount on pippins. This assumption is, of course, arbitrary, but it may give a better overall result than the assumption of no substitution. The BLS has estimated the monthly CPI using both methods over the past few years and concluded that adopting the geometric mean formula will reduce measured inflation by about 0.2 percentage point annually (the Boskin Commission estimated that lower-level substitution bias raised measured inflation by about 0.25 percentage point). The new formula will be used to calculate inflation in most categories in the CPI except those in which consumers cannot easily substitute between alternatives when there is a relative price change: for example, no change in relative prices would cause a person with a heart problem to consider buying a hearing aid. The new approach will be used only to aggregate price changes of individual commodities into broad commodity groups; these groups will continue to be aggregated into the overall index using fixed-quantity weights. After this change has been completed, the reduction in measured inflation due to methodological changes since 1995 is estimated to be 0.6 percentage point.

The BLS will update more frequently the expenditure weights obtained from the Consumer Expenditure Survey. The BLS is in the process of deciding how often the weights will be updated and wishes to increase the sample size of the survey to allow the use of only two years of expenditure data to construct the weights. These changes will make the market basket more representative of what consumers are actually purchasing and will introduce new products in a more timely manner.

To tackle upper-level bias more extensively, the BLS will produce an official "superlative index" starting in 2002 in addition to the CPI. This term—originally coined by Canadian economist, Erwin Diewert—refers to an index that approximately removes all substitution bias for most assumptions about household preferences. One superlative index is the Fisher ideal index, which uses a combination of weights from both the original market basket and the current market basket to take into account changes in consumer spending patterns. A version of this method is currently used in constructing the national income and product accounts. A superlative index would be subject to revision unless it was published with a time lag, because it takes time to gather data on current expenditures; thus, the CPI cannot be converted to a superlative index. However, recent research suggests that if the current market basket were initially represented by the basket for the previous year, the degree of subsequent revision required would be small.

Implications for Public Policy

Since the Fed uses the CPI as an indicator of price inflation, a more accurate index should make anti-inflationary monetary policy more effective. The public will have a better indicator to check how well

the Fed is doing its job. The effect on policy is not likely to be large, however, because the Fed already takes account of the best available estimate of the remaining biases in the published data. On the other hand, when inflation was higher, modest errors were less important since it was always appropriate to make policy with a view to reducing inflation. But now that we are closer to zero inflation, an accurate measure is more important, especially if policymakers wish to avoid a situation where actual inflation is negative. Under the Boskin Commission estimate of a total upward bias of 1.1 percentage points, a goal of zero inflation would be equivalent to an actual goal of -1.1%.

Some economists argue that negative inflation is undesirable in the long run. If it is difficult to reduce nominal wages, then it may not be possible to lower individual workers' real wages if prices are not rising. This may mean that it is difficult to provide appropriate incentives to move unneeded workers into other lines of work where they are more useful. Similarly, declining prices may cause the real value of debts to rise, which could cause some otherwise sound businesses to fail. Finally, if we want our tax and transfer system to be invariant to inflation, an accurate CPI is essential, so that the task of adjusting tax and transfer payments to price changes can be done quickly, easily, and without undue dispute.

Conclusion

Ongoing research is necessary to identify biases in the CPI. Changes to this index are inevitable as the BLS strives to maintain an accurate measure of inflation in our dynamic economy. By 1999, about half of the bias identified by the Boskin Commission will have been removed. Although the changes may be inconvenient—because they make the current index less comparable with the past index—they will lead to an improved measure of actual inflation and, thus, a better CPI.

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FORECAST DETAIL

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Reporting Conventions

Units of measurement are presented in the individual reports. If not otherwise indicated, population is in millions; income is in billions; and employment is in thousands.

The percentage change numbers given in the annual reports are simple period-to-period percent changes. Since the periods are years, they are thus simple annual changes. The percentage changes given in the quarterly report are period-to-period changes at compound annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over an entire year.

Data Sources

National forecast data are provided by Standard and Poor's DRI and the Food and Agricultural Policy Research Institute (FAPRI). Historical data for the models are obtained from the following agencies: Bureau of the Census (demographic), Bureau of Economic Analysis (income), Bureau of Labor Statistics (employment), Federal Reserve Board of Governors (production), and U.S. Department of Agriculture (farm).

Idaho historical data are obtained from the Department of Labor (employment and hourly earnings), Bureau of Vital Statistics (births and deaths), Division of Financial Management (migration), and the Bureau of Economic Analysis (income).

The Idaho average annual wage is calculated by the Division of Financial Management from Bureau of Economic Analysis and Idaho Department of Labor data. Because of the different methodology used and data available, this figure may not match those published by other sources.

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

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DEMOGRAPHICS

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
POPULATION										
Idaho (Thousands)	982.2	991.5	993.8	990.5	986.6	988.5	996.7	1,010.7	1,037.5	1,068.1
% Ch	0.9%	0.9%	0.2%	-0.3%	-0.4%	0.2%	0.8%	1.4%	2.6%	3.0%
National (Millions)	234.6	236.6	238.7	240.9	243.1	245.3	247.7	250.3	253.0	255.7
% Ch	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	1.0%	1.1%	1.1%	1.1%
BIRTHS										
Idaho (Thousands)	18.742	17.996	17.5385	16.4235	15.905	15.759	15.863	16.423	16.741	17.197
% Ch	-4.3%	-4.0%	-2.5%	-6.4%	-3.2%	-0.9%	0.7%	3.5%	1.9%	2.7%
National (Thousands)	3,639.0	3,669.0	3,761.0	3,757.0	3,809.0	3,910.0	4,041.0	4,158.0	4,110.0	4,038.0
% Ch	-1.1%	0.8%	2.5%	-0.1%	1.4%	2.7%	3.4%	2.9%	-1.2%	-1.8%
DEATHS										
Idaho (Thousands)	7.204	7.229	7.105	7.345	7.307	7.611	7.389	7.358	7.644	7.887
% Ch	4.0%	0.3%	-1.7%	3.4%	-0.5%	4.2%	-2.9%	-0.4%	3.9%	3.2%
National (Thousands)	2,019.0	2,039.0	2,086.0	2,105.0	2,123.0	2,168.0	2,150.0	2,162.0	2,163.0	2,210.0
% Ch	2.2%	1.0%	2.3%	0.9%	0.9%	2.1%	-0.8%	0.6%	0.0%	2.2%
NET MIGRATION										
Idaho (Thousands)	-3.141	-1.487	-8.149	-12.390	-12.541	-6.249	-0.251	4.984	17.628	21.365
HOUSING										
HOUSING STARTS										
Idaho	4,453	4,548	4,337	4,164	3,409	3,334	4,674	5,831	6,600	9,583
% Ch	74.3%	2.1%	-4.6%	-4.0%	-18.1%	-2.2%	40.2%	24.8%	13.2%	45.2%
National (Millions)	1.705	1.766	1.741	1.812	1.631	1.488	1.382	1.203	1.009	1.201
% Ch	61.3%	3.6%	-1.4%	4.0%	-10.0%	-8.7%	-7.1%	-12.9%	-16.2%	19.1%
SINGLE UNITS										
Idaho	3,755	3,588	3,212	3,157	2,744	2,981	3,711	4,786	5,662	7,899
% Ch	74.0%	-4.5%	-10.5%	-1.7%	-13.1%	8.6%	24.5%	29.0%	18.3%	39.5%
National (Millions)	1.065	1.098	1.071	1.182	1.154	1.083	1.006	0.901	0.835	1.032
% Ch	60.6%	3.1%	-2.5%	10.4%	-2.4%	-6.2%	-7.1%	-10.5%	-7.3%	23.6%
MULTIPLE UNITS										
Idaho	698	961	1,125	1,007	665	353	963	1,046	938	1,684
% Ch	75.9%	37.6%	17.1%	-10.5%	-33.9%	-47.0%	173.2%	8.6%	-10.3%	79.6%
National (Millions)	0.641	0.668	0.671	0.630	0.476	0.405	0.376	0.303	0.174	0.170
% Ch	62.4%	4.3%	0.4%	-6.1%	-24.3%	-15.0%	-7.2%	-19.5%	-42.6%	-2.4%
HOUSING STOCK										
Idaho (Thousands)	311.7	315.4	318.7	322.1	324.8	327.1	330.1	334.8	339.8	347.4
% Ch	0.9%	1.2%	1.0%	1.1%	0.8%	0.7%	0.9%	1.4%	1.5%	2.2%

National Variables Forecast by Standard and Poor's DRI
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IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 1999

DEMOGRAPHICS

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
POPULATION										
Idaho (Thousands)	1,098.4	1,131.0	1,159.9	1,186.7	1,211.0	1,231.0	1,251.0	1,270.2	1,288.6	1,307.4
% Ch	2.8%	3.0%	2.6%	2.3%	2.0%	1.7%	1.6%	1.5%	1.4%	1.5%
National (Millions)	258.4	260.9	263.3	265.8	268.2	270.6	272.9	275.2	277.5	279.8
% Ch	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%	0.8%	0.8%
BIRTHS										
Idaho (Thousands)	17.575	17.690	17.915	18.482	18.599	18.693	18.887	19.096	19.276	19.473
% Ch	2.2%	0.7%	1.3%	3.2%	0.6%	0.5%	1.0%	1.1%	0.9%	1.0%
National (Thousands)	3,997.0	3,964.0	3,935.0	3,911.0	3,892.0	3,880.0	3,874.0	3,872.0	3,876.0	3,885.0
% Ch	-1.0%	-0.8%	-0.7%	-0.6%	-0.5%	-0.3%	-0.2%	-0.1%	0.1%	0.2%
DEATHS										
Idaho (Thousands)	8.277	8.478	8.553	8.679	8.953	9.104	9.254	9.400	9.541	9.684
% Ch	4.9%	2.4%	0.9%	1.5%	3.2%	1.7%	1.6%	1.6%	1.5%	1.5%
National (Thousands)	2,237.0	2,264.0	2,291.0	2,318.0	2,345.0	2,372.0	2,399.0	2,424.0	2,446.0	2,467.0
% Ch	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%	1.0%	0.9%	0.9%
NET MIGRATION										
Idaho (Thousands)	20.977	23.411	19.563	16.982	14.572	10.460	10.414	9.479	8.621	9.018
HOUSING										
HOUSING STARTS										
Idaho	11,456	12,766	9,358	9,216	8,866	9,915	9,505	9,690	9,799	9,996
% Ch	19.5%	11.4%	-26.7%	-1.5%	-3.8%	11.8%	-4.1%	1.9%	1.1%	2.0%
National (Millions)	1.292	1.446	1.361	1.469	1.476	1.622	1.624	1.458	1.444	1.455
% Ch	7.5%	12.0%	-5.9%	7.9%	0.5%	9.9%	0.1%	-10.2%	-0.9%	0.7%
SINGLE UNITS										
Idaho	8,938	9,423	7,281	7,853	7,661	8,900	8,705	8,975	9,131	9,308
% Ch	13.2%	5.4%	-22.7%	7.9%	-2.4%	16.2%	-2.2%	3.1%	1.7%	1.9%
National (Millions)	1.131	1.191	1.082	1.154	1.137	1.279	1.258	1.106	1.082	1.086
% Ch	9.6%	5.4%	-9.2%	6.7%	-1.5%	12.4%	-1.6%	-12.1%	-2.1%	0.4%
MULTIPLE UNITS										
Idaho	2,518	3,343	2,077	1,363	1,206	1,015	800	715	667	688
% Ch	49.5%	32.8%	-37.9%	-34.4%	-11.6%	-15.8%	-21.2%	-10.6%	-6.7%	3.1%
National (Millions)	0.161	0.255	0.279	0.314	0.338	0.343	0.366	0.352	0.362	0.368
% Ch	-5.1%	58.3%	9.4%	12.7%	7.7%	1.4%	6.6%	-3.7%	2.8%	1.7%
HOUSING STOCK										
Idaho (Thousands)	356.9	368.7	377.8	386.2	393.7	402.3	410.6	419.0	427.5	436.1
% Ch	2.7%	3.3%	2.4%	2.2%	1.9%	2.2%	2.1%	2.0%	2.0%	2.0%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FOURTH Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 1999

OUTPUT, INCOME, & WAGES

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
GROSS DOM. PRODUCT (Billions)										
Current Dollars	3,514.5	3,902.4	4,180.7	4,422.2	4,692.3	5,049.6	5,438.7	5,743.8	5,916.7	6,244.5
% Ch	8.4%	11.0%	7.1%	5.8%	6.1%	7.6%	7.7%	5.6%	3.0%	5.5%
1992 Chain-Weighted	4,803.7	5,140.1	5,323.5	5,487.7	5,649.4	5,865.2	6,062.0	6,136.3	6,079.4	6,244.4
% Ch	4.0%	7.0%	3.6%	3.1%	2.9%	3.8%	3.4%	1.2%	-0.9%	2.7%
PERSONAL INCOME - CURR \$										
Idaho (Millions)	9,939	10,681	11,264	11,549	12,081	12,920	14,203	15,528	16,267	17,700
% Ch	8.1%	7.5%	5.5%	2.5%	4.6%	6.9%	9.9%	9.3%	4.8%	8.8%
Idaho Nonfarm (Millions)	9,350	10,178	10,803	11,073	11,495	12,285	13,344	14,551	15,465	16,892
% Ch	6.1%	8.9%	6.1%	2.5%	3.8%	6.9%	8.6%	9.0%	6.3%	9.2%
National (Billions)	2,894	3,211	3,441	3,640	3,878	4,179	4,496	4,796	4,966	5,256
% Ch	6.3%	11.0%	7.1%	5.8%	6.5%	7.8%	7.6%	6.7%	3.5%	5.8%
PERSONAL INCOME - 1992 \$										
Idaho (Millions)	14,104	14,602	14,853	14,807	14,921	15,321	16,058	16,713	16,800	17,698
% Ch	3.4%	3.5%	1.7%	-0.3%	0.8%	2.7%	4.8%	4.1%	0.5%	5.3%
Idaho Nonfarm (Millions)	13,268	13,914	14,245	14,196	14,197	14,568	15,087	15,660	15,972	16,891
% Ch	1.5%	4.9%	2.4%	-0.3%	0.0%	2.6%	3.6%	3.8%	2.0%	5.8%
National (Billions)	4,108	4,391	4,537	4,666	4,790	4,956	5,084	5,162	5,129	5,256
% Ch	1.6%	6.9%	3.3%	2.8%	2.6%	3.5%	2.6%	1.5%	-0.6%	2.5%
PER CAPITA PERS INC - CURR \$										
Idaho	10,118	10,772	11,334	11,660	12,246	13,071	14,250	15,363	15,679	16,569
% Ch	7.1%	6.5%	5.2%	2.9%	5.0%	6.7%	9.0%	7.8%	2.1%	5.7%
National	12,340	13,572	14,412	15,107	15,952	17,035	18,154	19,163	19,628	20,553
% Ch	5.3%	10.0%	6.2%	4.8%	5.6%	6.8%	6.6%	5.6%	2.4%	4.7%
PER CAPITA PERS INC - 1992 \$										
Idaho	14,359	14,726	14,946	14,949	15,125	15,500	16,112	16,536	16,194	16,569
% Ch	2.5%	2.6%	1.5%	0.0%	1.2%	2.5%	3.9%	2.6%	-2.1%	2.3%
National	17,514	18,555	19,006	19,369	19,704	20,204	20,527	20,624	20,274	20,553
% Ch	0.7%	5.9%	2.4%	1.9%	1.7%	2.5%	1.6%	0.5%	-1.7%	1.4%
AVERAGE ANNUAL WAGE										
Idaho	15,466	16,058	16,646	17,182	17,620	18,331	18,891	19,755	20,549	21,472
% Ch	4.4%	3.8%	3.7%	3.2%	2.5%	4.0%	3.1%	4.6%	4.0%	4.5%
National	18,695	19,650	20,494	21,305	22,292	23,323	24,083	25,205	26,120	27,501
% Ch	5.0%	5.1%	4.3%	4.0%	4.6%	4.6%	3.3%	4.7%	3.6%	5.3%

National Variables Forecast by Standard and Poor's DRI
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IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 1999

OUTPUT, INCOME, & WAGES

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
GROSS DOM. PRODUCT (Billions)										
Current Dollars	6,558.1	6,947.0	7,269.6	7,661.6	8,110.9	8,510.7	8,907.1	9,195.8	9,573.9	9,949.1
% Ch	5.0%	5.9%	4.6%	5.4%	5.9%	4.9%	4.7%	3.2%	4.1%	3.9%
1992 Chain-Weighted	6,389.5	6,610.7	6,761.7	6,994.8	7,269.8	7,552.1	7,828.2	7,989.0	8,178.1	8,342.2
% Ch	2.3%	3.5%	2.3%	3.4%	3.9%	3.9%	3.7%	2.1%	2.4%	2.0%
PERSONAL INCOME - CURR \$										
Idaho (Millions)	19,475	20,628	22,071	23,430	24,681	25,864	27,164	28,471	29,837	31,264
% Ch	10.0%	5.9%	7.0%	6.2%	5.3%	4.8%	5.0%	4.8%	4.8%	4.8%
Idaho Nonfarm (Millions)	18,339	19,979	21,371	22,647	23,956	25,187	26,466	27,752	29,100	30,511
% Ch	8.6%	8.9%	7.0%	6.0%	5.8%	5.1%	5.1%	4.9%	4.9%	4.8%
National (Billions)	5,481	5,758	6,072	6,425	6,784	7,125	7,476	7,782	8,099	8,411
% Ch	4.3%	5.1%	5.5%	5.8%	5.6%	5.0%	4.9%	4.1%	4.1%	3.9%
PERSONAL INCOME - 1992 \$										
Idaho (Millions)	18,967	19,615	20,518	21,347	22,073	22,950	23,816	24,584	25,267	25,938
% Ch	7.2%	3.4%	4.6%	4.0%	3.4%	4.0%	3.8%	3.2%	2.8%	2.7%
Idaho Nonfarm (Millions)	17,861	18,998	19,867	20,634	21,425	22,349	23,204	23,964	24,643	25,314
% Ch	5.7%	6.4%	4.6%	3.9%	3.8%	4.3%	3.8%	3.3%	2.8%	2.7%
National (Billions)	5,339	5,476	5,645	5,854	6,068	6,323	6,556	6,721	6,860	6,979
% Ch	1.6%	2.6%	3.1%	3.7%	3.6%	4.2%	3.7%	2.5%	2.1%	1.7%
PER CAPITA PERS INC - CURR \$										
Idaho	17,727	18,236	19,026	19,742	20,380	21,010	21,712	22,413	23,154	23,912
% Ch	7.0%	2.9%	4.3%	3.8%	3.2%	3.1%	3.3%	3.2%	3.3%	3.3%
National	21,212	22,069	23,058	24,177	25,295	26,333	27,395	28,277	29,185	30,062
% Ch	3.2%	4.0%	4.5%	4.9%	4.6%	4.1%	4.0%	3.2%	3.2%	3.0%
PER CAPITA PERS INC - 1992 \$										
Idaho	17,266	17,342	17,688	17,988	18,228	18,643	19,036	19,354	19,608	19,840
% Ch	4.2%	0.4%	2.0%	1.7%	1.3%	2.3%	2.1%	1.7%	1.3%	1.2%
National	20,661	20,988	21,437	22,029	22,624	23,367	24,022	24,422	24,720	24,947
% Ch	0.5%	1.6%	2.1%	2.8%	2.7%	3.3%	2.8%	1.7%	1.2%	0.9%
AVERAGE ANNUAL WAGE										
Idaho	21,980	22,748	23,626	24,106	24,798	25,675	26,592	27,520	28,401	29,283
% Ch	2.4%	3.5%	3.9%	2.0%	2.9%	3.5%	3.6%	3.5%	3.2%	3.1%
National	27,912	28,394	29,257	30,363	31,708	32,974	34,196	35,363	36,487	37,601
% Ch	1.5%	1.7%	3.0%	3.8%	4.4%	4.0%	3.7%	3.4%	3.2%	3.1%

National Variables Forecast by Standard and Poor's DRI
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IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 1999

PERSONAL INCOME -- CURR \$\$

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	5,203	5,587	5,883	5,930	6,172	6,701	7,247	7,969	8,531	9,309
% Ch	6.1%	7.4%	5.3%	0.8%	4.1%	8.6%	8.2%	10.0%	7.0%	9.1%
National (Billions)	1,685	1,855	1,996	2,117	2,273	2,454	2,598	2,757	2,828	2,986
% Ch	5.7%	10.1%	7.6%	6.0%	7.4%	8.0%	5.9%	6.1%	2.5%	5.6%
FARM PROPRIETORS INCOME										
Idaho (Millions)	431	349	306	333	445	473	685	774	604	606
% Ch	94.8%	-19.0%	-12.1%	8.8%	33.5%	6.4%	44.8%	13.0%	-22.0%	0.4%
National (Billions)	4	23	24	24	32	27	36	35	29	37
% Ch	-71.5%	462.4%	1.8%	2.6%	30.4%	-12.9%	32.1%	-2.3%	-17.4%	26.7%
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	842	1,045	1,123	1,166	1,251	1,353	1,457	1,530	1,478	1,775
% Ch	15.9%	24.1%	7.5%	3.9%	7.2%	8.2%	7.6%	5.0%	-3.4%	20.2%
National (Billions)	188	226	245	255	274	308	321	339	347	387
% Ch	13.7%	20.1%	8.6%	4.2%	7.2%	12.5%	4.3%	5.4%	2.5%	11.4%
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	1,788	1,990	2,096	2,161	2,179	2,252	2,505	2,680	2,773	2,814
% Ch	0.6%	11.3%	5.3%	3.1%	0.8%	3.3%	11.2%	7.0%	3.5%	1.5%
National (Billions)	520	598	636	671	695	755	853	900	905	884
% Ch	6.3%	14.9%	6.4%	5.5%	3.6%	8.6%	12.9%	5.6%	0.5%	-2.3%
OTHER LABOR INCOME										
Idaho (Millions)	510	542	579	588	634	679	755	867	964	1,088
% Ch	9.6%	6.3%	6.8%	1.6%	7.8%	7.1%	11.3%	14.8%	11.2%	12.8%
National (Billions)	177	189	203	216	235	252	273	301	323	351
% Ch	7.2%	6.6%	7.5%	6.3%	9.0%	6.9%	8.5%	10.1%	7.4%	8.9%
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	1,506	1,534	1,681	1,778	1,820	1,940	2,086	2,278	2,539	2,790
% Ch	6.1%	1.8%	9.6%	5.8%	2.3%	6.6%	7.5%	9.2%	11.5%	9.9%
National (Billions)	439	454	487	519	543	578	626	688	770	858
% Ch	7.7%	3.2%	7.3%	6.6%	4.8%	6.3%	8.4%	9.9%	11.9%	11.5%
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	398	434	480	499	519	593	661	719	787	850
% Ch	6.6%	9.1%	10.4%	4.0%	4.0%	14.3%	11.6%	8.8%	9.4%	8.0%
National (Billions)	120	133	149	162	174	194	211	224	236	248
% Ch	6.6%	10.9%	12.3%	8.8%	7.1%	11.8%	8.6%	6.2%	5.3%	5.3%
RESIDENCE ADJUSTMENT										
Idaho (Millions)	58	70	76	92	101	116	130	150	165	167
% Ch	-2.5%	20.8%	9.3%	20.3%	9.8%	15.4%	11.8%	15.6%	10.0%	1.2%

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IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 1999

PERSONAL INCOME -- CURR \$\$

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	9,994	10,926	11,742	12,335	13,117	13,938	14,801	15,651	16,475	17,308
% Ch	7.4%	9.3%	7.5%	5.1%	6.3%	6.3%	6.2%	5.7%	5.3%	5.1%
National (Billions)	3,090	3,241	3,429	3,631	3,890	4,149	4,403	4,606	4,802	4,981
% Ch	3.5%	4.9%	5.8%	5.9%	7.1%	6.7%	6.1%	4.6%	4.3%	3.7%
FARM PROPRIETORS INCOME										
Idaho (Millions)	914	365	388	472	385	299	302	318	327	335
% Ch	50.7%	-60.0%	6.1%	21.7%	-18.3%	-22.4%	1.0%	5.2%	2.8%	2.5%
National (Billions)	32	37	22	39	35	28	26	28	30	33
% Ch	-12.7%	13.9%	-39.2%	73.5%	-8.8%	-19.8%	-7.3%	6.6%	7.8%	8.3%
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	2,071	2,307	2,408	2,519	2,704	2,882	3,043	3,137	3,276	3,410
% Ch	16.7%	11.4%	4.4%	4.6%	7.3%	6.6%	5.6%	3.1%	4.4%	4.1%
National (Billions)	418	435	466	489	516	548	577	594	619	643
% Ch	8.2%	3.9%	7.1%	5.0%	5.5%	6.3%	5.3%	2.9%	4.2%	3.9%
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	3,007	3,303	3,583	3,920	4,166	4,294	4,413	4,524	4,661	4,805
% Ch	6.9%	9.8%	8.5%	9.4%	6.3%	3.1%	2.8%	2.5%	3.0%	3.1%
National (Billions)	904	964	1,031	1,118	1,166	1,191	1,223	1,253	1,284	1,316
% Ch	2.2%	6.6%	7.1%	8.4%	4.3%	2.1%	2.7%	2.4%	2.5%	2.5%
OTHER LABOR INCOME										
Idaho (Millions)	1,218	1,361	1,365	1,322	1,330	1,368	1,419	1,491	1,564	1,644
% Ch	12.0%	11.7%	0.3%	-3.1%	0.5%	2.9%	3.8%	5.0%	4.9%	5.1%
National (Billions)	385	405	402	387	393	407	422	438	455	472
% Ch	9.6%	5.2%	-0.8%	-3.7%	1.5%	3.6%	3.7%	3.8%	3.8%	3.7%
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	3,038	3,222	3,510	3,814	3,991	4,149	4,311	4,531	4,774	5,063
% Ch	8.9%	6.0%	8.9%	8.7%	4.6%	4.0%	3.9%	5.1%	5.4%	6.0%
National (Billions)	912	955	1,016	1,068	1,110	1,149	1,193	1,247	1,309	1,381
% Ch	6.3%	4.7%	6.4%	5.1%	4.0%	3.5%	3.8%	4.6%	4.9%	5.6%
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	919	1,017	1,109	1,169	1,257	1,337	1,418	1,490	1,567	1,645
% Ch	8.2%	10.6%	9.0%	5.4%	7.5%	6.4%	6.0%	5.1%	5.1%	5.0%
National (Billions)	260	277	294	306	326	347	369	384	400	415
% Ch	4.8%	6.6%	5.8%	4.3%	6.5%	6.5%	6.1%	4.1%	4.3%	3.8%
RESIDENCE ADJUSTMENT										
Idaho (Millions)	151	161	186	216	246	272	292	310	327	344
% Ch	-9.9%	6.6%	15.7%	16.3%	13.6%	10.5%	7.6%	6.0%	5.5%	5.3%

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EMPLOYMENT

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
TOTAL NONFARM EMPLOYMENT										
Idaho	317,838	330,206	335,909	328,271	333,449	348,268	366,016	385,332	398,118	416,605
% Ch	1.8%	3.9%	1.7%	-2.3%	1.6%	4.4%	5.1%	5.3%	3.3%	4.6%
National (Thousands)	90,145	94,404	97,387	99,344	101,953	105,202	107,883	109,404	108,255	108,591
% Ch	0.7%	4.7%	3.2%	2.0%	2.6%	3.2%	2.5%	1.4%	-1.1%	0.3%
GOODS PRODUCING SECTOR										
Idaho	67,427	73,326	73,580	69,608	70,345	75,624	80,312	85,478	86,521	90,495
% Ch	3.0%	8.7%	0.3%	-5.4%	1.1%	7.5%	6.2%	6.4%	1.2%	4.6%
National (Thousands)	23,329	24,718	24,843	24,536	24,673	25,123	25,253	24,909	23,749	23,232
% Ch	-2.1%	6.0%	0.5%	-1.2%	0.6%	1.8%	0.5%	-1.4%	-4.7%	-2.2%
MANUFACTURING										
Idaho	50,247	54,602	54,660	52,103	54,056	58,139	60,572	62,888	63,219	65,751
% Ch	5.1%	8.7%	0.1%	-4.7%	3.7%	7.6%	4.2%	3.8%	0.5%	4.0%
National (Thousands)	18,433	19,375	19,250	18,948	18,998	19,315	19,391	19,075	18,405	18,106
% Ch	-1.9%	5.1%	-0.6%	-1.6%	0.3%	1.7%	0.4%	-1.6%	-3.5%	-1.6%
DURABLE MANUFACTURING										
Idaho	25,423	27,566	26,759	25,524	26,831	29,560	32,176	34,065	33,144	34,793
% Ch	10.7%	8.4%	-2.9%	-4.6%	5.1%	10.2%	8.9%	5.9%	-2.7%	5.0%
National (Thousands)	10,707	11,477	11,458	11,195	11,154	11,363	11,394	11,107	10,568	10,279
% Ch	-2.8%	7.2%	-0.2%	-2.3%	-0.4%	1.9%	0.3%	-2.5%	-4.9%	-2.7%
LUMBER & WOOD PRODUCTS										
Idaho	13,868	14,213	13,506	13,240	13,379	13,984	14,747	14,897	13,470	14,004
% Ch	14.1%	2.5%	-5.0%	-2.0%	1.1%	4.5%	5.5%	1.0%	-9.6%	4.0%
National (Thousands)	670	718	711	724	754	768	757	733	675	680
% Ch	9.8%	7.1%	-0.9%	1.8%	4.1%	1.8%	-1.4%	-3.1%	-7.9%	0.7%
STONE, CLAY, GLASS, etc.										
Idaho	2,679	2,785	2,783	2,761	2,804	2,878	3,276	3,387	3,291	3,199
% Ch	2.3%	4.0%	-0.1%	-0.8%	1.6%	2.7%	13.8%	3.4%	-2.8%	-2.8%
National (Thousands)	1,909	2,023	2,021	1,977	1,954	1,996	2,014	1,975	1,877	1,843
% Ch	-3.2%	6.0%	-0.1%	-2.2%	-1.2%	2.2%	0.9%	-1.9%	-5.0%	-1.8%
ELEC & NONELEC MACH										
Idaho	7,408	8,765	8,528	7,652	8,422	9,577	11,096	12,596	13,197	14,476
% Ch	9.2%	18.3%	-2.7%	-10.3%	10.1%	13.7%	15.9%	13.5%	4.8%	9.7%
National (Thousands)	3,757	4,087	4,054	3,864	3,777	3,853	3,869	3,768	3,591	3,457
% Ch	-5.3%	8.8%	-0.8%	-4.7%	-2.2%	2.0%	0.4%	-2.6%	-4.7%	-3.7%
OTHER DURABLES										
Idaho	1,467	1,803	1,941	1,871	2,226	3,121	3,057	3,185	3,186	3,115
% Ch	4.4%	22.9%	7.7%	-3.6%	19.0%	40.2%	-2.0%	4.2%	0.0%	-2.2%
National (Thousands)	4,371	4,649	4,672	4,631	4,669	4,747	4,755	4,632	4,426	4,299
% Ch	-2.2%	6.4%	0.5%	-0.9%	0.8%	1.7%	0.2%	-2.6%	-4.4%	-2.9%

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EMPLOYMENT

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
TOTAL NONFARM EMPLOYMENT										
Idaho	436,733	461,159	477,375	492,574	508,775	521,801	535,631	548,196	559,802	570,991
% Ch	4.8%	5.6%	3.5%	3.2%	3.3%	2.6%	2.7%	2.3%	2.1%	2.0%
National (Thousands)	110,692	114,131	117,187	119,590	122,677	125,817	128,767	130,242	131,619	132,480
% Ch	1.9%	3.1%	2.7%	2.1%	2.6%	2.6%	2.3%	1.1%	1.1%	0.7%
GOODS PRODUCING SECTOR										
Idaho	96,081	103,288	103,396	106,556	109,900	111,577	112,890	114,207	116,200	117,571
% Ch	6.2%	7.5%	0.1%	3.1%	3.1%	1.5%	1.2%	1.2%	1.7%	1.2%
National (Thousands)	23,351	23,904	24,275	24,492	24,935	25,260	25,080	24,396	24,059	23,739
% Ch	0.5%	2.4%	1.6%	0.9%	1.8%	1.3%	-0.7%	-2.7%	-1.4%	-1.3%
MANUFACTURING										
Idaho	69,251	71,887	71,041	72,902	74,608	76,399	77,651	78,942	80,769	82,145
% Ch	5.3%	3.8%	-1.2%	2.6%	2.3%	2.4%	1.6%	1.7%	2.3%	1.7%
National (Thousands)	18,076	18,322	18,526	18,496	18,658	18,719	18,337	17,854	17,637	17,342
% Ch	-0.2%	1.4%	1.1%	-0.2%	0.9%	0.3%	-2.0%	-2.6%	-1.2%	-1.7%
DURABLE MANUFACTURING										
Idaho	37,497	40,635	42,131	44,069	45,537	47,345	48,239	49,028	50,305	51,186
% Ch	7.8%	8.4%	3.7%	4.6%	3.3%	4.0%	1.9%	1.6%	2.6%	1.8%
National (Thousands)	10,222	10,447	10,684	10,789	10,987	11,100	10,866	10,583	10,467	10,309
% Ch	-0.6%	2.2%	2.3%	1.0%	1.8%	1.0%	-2.1%	-2.6%	-1.1%	-1.5%
LUMBER & WOOD PRODUCTS										
Idaho	14,408	15,521	14,795	14,444	14,240	13,735	13,479	12,903	12,665	12,406
% Ch	2.9%	7.7%	-4.7%	-2.4%	-1.4%	-3.5%	-1.9%	-4.3%	-1.8%	-2.0%
National (Thousands)	709	754	770	778	793	804	817	794	786	780
% Ch	4.3%	6.3%	2.0%	1.1%	1.9%	1.3%	1.6%	-2.8%	-1.1%	-0.8%
STONE, CLAY, GLASS, etc.										
Idaho	3,364	3,853	4,221	4,341	4,415	4,310	4,339	4,252	4,273	4,271
% Ch	5.2%	14.5%	9.5%	2.8%	1.7%	-2.4%	0.7%	-2.0%	0.5%	0.0%
National (Thousands)	1,856	1,920	1,977	1,992	2,028	2,052	2,028	1,977	1,960	1,940
% Ch	0.7%	3.4%	3.0%	0.8%	1.8%	1.2%	-1.2%	-2.5%	-0.8%	-1.0%
ELEC & NONELEC MACH										
Idaho	16,271	17,114	18,192	20,266	21,584	23,461	24,284	25,765	27,237	28,286
% Ch	12.4%	5.2%	6.3%	11.4%	6.5%	8.7%	3.5%	6.1%	5.7%	3.9%
National (Thousands)	3,456	3,560	3,692	3,775	3,852	3,890	3,740	3,651	3,645	3,610
% Ch	0.0%	3.0%	3.7%	2.3%	2.0%	1.0%	-3.9%	-2.4%	-0.2%	-1.0%
OTHER DURABLES										
Idaho	3,454	4,147	4,923	5,018	5,297	5,839	6,136	6,109	6,129	6,223
% Ch	10.9%	20.1%	18.7%	1.9%	5.6%	10.2%	5.1%	-0.4%	0.3%	1.5%
National (Thousands)	4,200	4,214	4,246	4,243	4,315	4,354	4,282	4,161	4,075	3,979
% Ch	-2.3%	0.3%	0.8%	-0.1%	1.7%	0.9%	-1.7%	-2.8%	-2.1%	-2.4%

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EMPLOYMENT

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	24,825	27,036	27,901	26,579	27,225	28,579	28,396	28,824	30,075	30,958
% Ch	-0.1%	8.9%	3.2%	-4.7%	2.4%	5.0%	-0.6%	1.5%	4.3%	2.9%
National (Thousands)	7,727	7,898	7,791	7,753	7,845	7,952	7,997	7,968	7,837	7,827
% Ch	-0.5%	2.2%	-1.3%	-0.5%	1.2%	1.4%	0.6%	-0.4%	-1.6%	-0.1%
FOOD PROCESSING										
Idaho	16,268	16,622	16,580	15,412	16,099	17,336	16,984	16,805	17,486	17,818
% Ch	-1.9%	2.2%	-0.3%	-7.0%	4.5%	7.7%	-2.0%	-1.1%	4.1%	1.9%
National (Thousands)	1,615	1,612	1,601	1,607	1,617	1,626	1,645	1,661	1,667	1,662
% Ch	-1.3%	-0.2%	-0.7%	0.4%	0.6%	0.6%	1.1%	1.0%	0.4%	-0.3%
CANNED, CURED, & FROZEN										
Idaho	10,388	10,741	10,942	9,867	10,612	11,331	11,225	11,064	11,747	12,094
% Ch	0.5%	3.4%	1.9%	-9.8%	7.5%	6.8%	-0.9%	-1.4%	6.2%	3.0%
OTHER FOOD PROCESSING										
Idaho	5,880	5,881	5,638	5,544	5,487	6,004	5,759	5,740	5,740	5,725
% Ch	-5.7%	0.0%	-4.1%	-1.7%	-1.0%	9.4%	-4.1%	-0.3%	0.0%	-0.3%
PAPER, PRINTING, PUBLISH.										
Idaho	5,007	5,474	5,984	5,946	6,067	6,373	6,592	6,976	7,179	7,172
% Ch	6.5%	9.3%	9.3%	-0.6%	2.0%	5.0%	3.4%	5.8%	2.9%	-0.1%
National (Thousands)	1,952	2,049	2,097	2,123	2,177	2,232	2,251	2,266	2,223	2,197
% Ch	1.3%	5.0%	2.3%	1.2%	2.5%	2.5%	0.9%	0.6%	-1.9%	-1.2%
CHEMICALS										
Idaho	2,151	3,500	3,573	3,335	3,273	3,536	3,524	3,554	3,903	4,277
% Ch	-6.6%	62.7%	2.1%	-6.6%	-1.9%	8.0%	-0.3%	0.9%	9.8%	9.6%
National (Thousands)	1,043	1,049	1,044	1,021	1,025	1,057	1,074	1,086	1,076	1,084
% Ch	-3.0%	0.6%	-0.5%	-2.2%	0.4%	3.2%	1.6%	1.1%	-0.9%	0.8%
OTHER NONDURABLES										
Idaho	1,399	1,440	1,765	1,886	1,786	1,335	1,297	1,488	1,505	1,690
% Ch	9.1%	2.9%	22.6%	6.9%	-5.3%	-25.3%	-2.8%	14.8%	1.1%	12.3%
National (Thousands)	3,117	3,188	3,049	3,002	3,026	3,037	3,027	2,955	2,871	2,883
% Ch	-0.4%	2.3%	-4.3%	-1.6%	0.8%	0.3%	-0.3%	-2.4%	-2.9%	0.4%
MINING										
Idaho	4,047	4,177	3,852	2,893	2,568	3,280	3,673	3,873	3,086	2,605
%Ch	5.9%	3.2%	-7.8%	-24.9%	-11.2%	27.7%	12.0%	5.5%	-20.3%	-15.6%
National (Thousands)	952	965	927	777	717	712	691	709	689	634
%Ch	-15.6%	1.4%	-4.0%	-16.1%	-7.7%	-0.7%	-3.0%	2.6%	-2.8%	-8.0%
METAL MINING										
Idaho	2,636	2,803	2,599	1,919	1,595	2,140	2,612	2,754	1,994	1,453
%Ch	4.0%	6.3%	-7.3%	-26.2%	-16.9%	34.2%	22.0%	5.5%	-27.6%	-27.1%
OTHER MINING										
Idaho	1,411	1,373	1,253	973	973	1,140	1,061	1,119	1,092	1,152
% Ch	9.6%	-2.7%	-8.8%	-22.3%	0.0%	17.2%	-6.9%	5.4%	-2.4%	5.5%

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EMPLOYMENT

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	31,754	31,251	28,910	28,832	29,071	29,054	29,412	29,914	30,464	30,959
% Ch	2.6%	-1.6%	-7.5%	-0.3%	0.8%	-0.1%	1.2%	1.7%	1.8%	1.6%
National (Thousands)	7,854	7,875	7,842	7,707	7,671	7,619	7,471	7,270	7,171	7,033
% Ch	0.4%	0.3%	-0.4%	-1.7%	-0.5%	-0.7%	-1.9%	-2.7%	-1.4%	-1.9%
FOOD PROCESSING										
Idaho	18,564	18,019	17,503	17,461	17,655	17,387	17,539	17,699	17,901	18,085
% Ch	4.2%	-2.9%	-2.9%	-0.2%	1.1%	-1.5%	0.9%	0.9%	1.1%	1.0%
National (Thousands)	1,680	1,679	1,693	1,693	1,691	1,704	1,725	1,710	1,704	1,683
% Ch	1.1%	-0.1%	0.8%	0.0%	-0.1%	0.8%	1.2%	-0.9%	-0.4%	-1.2%
CANNED, CURED, & FROZEN										
Idaho	12,531	11,705	10,862	10,677	10,549	10,119	10,227	10,248	10,310	10,350
% Ch	3.6%	-6.6%	-7.2%	-1.7%	-1.2%	-4.1%	1.1%	0.2%	0.6%	0.4%
OTHER FOOD PROCESSING										
Idaho	6,033	6,314	6,641	6,784	7,106	7,268	7,311	7,451	7,591	7,734
% Ch	5.4%	4.7%	5.2%	2.2%	4.7%	2.3%	0.6%	1.9%	1.9%	1.9%
PAPER, PRINTING, PUBLISH.										
Idaho	7,145	7,090	7,119	7,192	7,216	7,444	7,484	7,619	7,751	7,871
% Ch	-0.4%	-0.8%	0.4%	1.0%	0.3%	3.1%	0.5%	1.8%	1.7%	1.6%
National (Thousands)	2,209	2,230	2,238	2,224	2,238	2,248	2,216	2,168	2,149	2,118
% Ch	0.5%	0.9%	0.4%	-0.7%	0.6%	0.5%	-1.4%	-2.2%	-0.9%	-1.4%
CHEMICALS										
Idaho	4,250	4,135	2,345	2,332	2,284	2,375	2,477	2,604	2,749	2,887
% Ch	-0.6%	-2.7%	-43.3%	-0.5%	-2.1%	4.0%	4.3%	5.1%	5.6%	5.0%
National (Thousands)	1,081	1,057	1,038	1,034	1,034	1,036	1,028	1,015	1,011	1,002
% Ch	-0.3%	-2.2%	-1.8%	-0.4%	0.0%	0.2%	-0.8%	-1.3%	-0.4%	-0.9%
OTHER NONDURABLES										
Idaho	1,795	2,008	1,943	1,847	1,916	1,847	1,912	1,992	2,064	2,116
% Ch	6.2%	11.9%	-3.2%	-4.9%	3.7%	-3.6%	3.5%	4.2%	3.6%	2.6%
National (Thousands)	2,885	2,910	2,872	2,757	2,708	2,631	2,502	2,377	2,307	2,230
% Ch	0.1%	0.9%	-1.3%	-4.0%	-1.8%	-2.9%	-4.9%	-5.0%	-3.0%	-3.3%
MINING										
Idaho	2,199	2,419	2,726	3,062	3,098	2,922	2,627	2,483	2,519	2,570
%Ch	-15.6%	10.0%	12.7%	12.3%	1.2%	-5.7%	-10.1%	-5.5%	1.4%	2.0%
National (Thousands)	609	600	581	580	592	575	523	490	467	454
%Ch	-3.9%	-1.5%	-3.3%	-0.2%	2.0%	-2.8%	-9.1%	-6.2%	-4.7%	-2.8%
METAL MINING										
Idaho	1,007	1,211	1,593	1,847	1,843	1,708	1,461	1,369	1,421	1,505
%Ch	-30.7%	20.2%	31.5%	16.0%	-0.3%	-7.3%	-14.4%	-6.3%	3.8%	5.9%
OTHER MINING										
Idaho	1,192	1,208	1,133	1,215	1,255	1,215	1,166	1,114	1,097	1,065
% Ch	3.5%	1.4%	-6.2%	7.2%	3.4%	-3.3%	-4.0%	-4.5%	-1.5%	-2.9%

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EMPLOYMENT

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	13,132	14,547	15,067	14,612	13,721	14,205	16,067	18,716	20,216	22,139
% Ch	-5.0%	10.8%	3.6%	-3.0%	-6.1%	3.5%	13.1%	16.5%	8.0%	9.5%
National (Thousands)	3,943	4,378	4,667	4,810	4,958	5,096	5,171	5,125	4,655	4,492
% Ch	0.9%	11.0%	6.6%	3.1%	3.1%	2.8%	1.5%	-0.9%	-9.2%	-3.5%
SERVICE PRODUCING SECTOR										
Idaho	250,411	256,880	262,330	258,663	263,104	272,644	285,704	299,854	311,597	326,110
% Ch	1.5%	2.6%	2.1%	-1.4%	1.7%	3.6%	4.8%	5.0%	3.9%	4.7%
National (Thousands)	66,816	69,686	72,544	74,809	77,280	80,079	82,630	84,495	84,506	85,359
% Ch	1.6%	4.3%	4.1%	3.1%	3.3%	3.6%	3.2%	2.3%	0.0%	1.0%
FINANCE, INSUR, REAL ESTATE										
Idaho	23,014	23,458	23,671	18,878	19,125	19,270	19,291	19,838	20,626	21,457
% Ch	1.6%	1.9%	0.9%	-20.2%	1.3%	0.8%	0.1%	2.8%	4.0%	4.0%
National (Thousands)	5,466	5,684	5,948	6,272	6,533	6,629	6,669	6,709	6,647	6,602
% Ch	2.4%	4.0%	4.7%	5.4%	4.2%	1.5%	0.6%	0.6%	-0.9%	-0.7%
TRANS, COMMUN, PUBLIC UTIL										
Idaho	19,110	19,068	19,281	18,282	17,920	18,487	19,256	19,787	20,031	20,342
% Ch	0.4%	-0.2%	1.1%	-5.2%	-2.0%	3.2%	4.2%	2.8%	1.2%	1.6%
National (Thousands)	4,952	5,156	5,233	5,247	5,362	5,512	5,614	5,776	5,755	5,718
% Ch	-2.6%	4.1%	1.5%	0.3%	2.2%	2.8%	1.9%	2.9%	-0.4%	-0.6%
TRADE										
Idaho	79,362	82,982	84,148	83,886	84,892	87,339	93,122	97,089	100,986	105,894
% Ch	1.8%	4.6%	1.4%	-0.3%	1.2%	2.9%	6.6%	4.3%	4.0%	4.9%
National (Thousands)	20,868	22,078	23,041	23,641	24,269	25,055	25,664	25,774	25,363	25,352
% Ch	2.0%	5.8%	4.4%	2.6%	2.7%	3.2%	2.4%	0.4%	-1.6%	0.0%
SERVICES										
Idaho	61,032	62,474	65,060	66,655	67,956	71,913	76,161	81,750	85,621	90,396
% Ch	3.0%	2.4%	4.1%	2.5%	2.0%	5.8%	5.9%	7.3%	4.7%	5.6%
National (Thousands)	19,662	20,745	21,927	22,957	24,109	25,500	26,904	27,930	28,335	29,047
% Ch	3.4%	5.5%	5.7%	4.7%	5.0%	5.8%	5.5%	3.8%	1.5%	2.5%
STATE & LOCAL GOVERNMENT										
Idaho	55,942	57,146	58,380	59,135	61,123	63,156	65,185	68,334	71,423	74,563
% Ch	0.3%	2.2%	2.2%	1.3%	3.4%	3.3%	3.2%	4.8%	4.5%	4.4%
National (Thousands)	13,094	13,216	13,519	13,792	14,065	14,411	14,791	15,220	15,439	15,672
% Ch	0.0%	0.9%	2.3%	2.0%	2.0%	2.5%	2.6%	2.9%	1.4%	1.5%
Idaho Education	30,323	31,439	32,317	32,845	33,422	34,573	35,603	37,263	38,840	40,455
% Ch	-0.7%	3.7%	2.8%	1.6%	1.8%	3.4%	3.0%	4.7%	4.2%	4.2%
Idaho Other	25,619	25,707	26,064	26,290	27,701	28,583	29,581	31,071	32,583	34,108
% Ch	1.5%	0.3%	1.4%	0.9%	5.4%	3.2%	3.5%	5.0%	4.9%	4.7%
FEDERAL GOVERNMENT										
Idaho	11,952	11,751	11,790	11,827	12,088	12,479	12,690	13,057	12,909	13,460
% Ch	-0.8%	-1.7%	0.3%	0.3%	2.2%	3.2%	1.7%	2.9%	-1.1%	4.3%
National (Thousands)	2,774	2,807	2,875	2,899	2,943	2,972	2,989	3,086	2,967	2,968
% Ch	1.3%	1.2%	2.4%	0.8%	1.5%	1.0%	0.6%	3.3%	-3.9%	0.0%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FOURTH Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 1999

EMPLOYMENT

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	24,631	28,982	29,630	30,592	32,194	32,256	32,612	32,781	32,912	32,855
% Ch	11.3%	17.7%	2.2%	3.2%	5.2%	0.2%	1.1%	0.5%	0.4%	-0.2%
National (Thousands)	4,665	4,982	5,169	5,416	5,685	5,966	6,220	6,052	5,954	5,943
% Ch	3.9%	6.8%	3.8%	4.8%	5.0%	4.9%	4.3%	-2.7%	-1.6%	-0.2%
SERVICE PRODUCING SECTOR										
Idaho	340,653	357,871	373,979	386,018	398,875	410,223	422,741	433,990	443,602	453,421
% Ch	4.5%	5.1%	4.5%	3.2%	3.3%	2.8%	3.1%	2.7%	2.2%	2.2%
National (Thousands)	87,341	90,227	92,912	95,098	97,742	100,557	103,687	105,846	107,560	108,740
% Ch	2.3%	3.3%	3.0%	2.4%	2.8%	2.9%	3.1%	2.1%	1.6%	1.1%
FINANCE, INSUR, REAL ESTATE										
Idaho	22,756	24,100	24,968	25,174	25,393	22,874	23,256	23,485	23,659	23,784
% Ch	6.1%	5.9%	3.6%	0.8%	0.9%	-9.9%	1.7%	1.0%	0.7%	0.5%
National (Thousands)	6,757	6,894	6,807	6,911	7,090	7,341	7,555	7,706	7,896	8,009
% Ch	2.3%	2.0%	-1.3%	1.5%	2.6%	3.5%	2.9%	2.0%	2.5%	1.4%
TRANS, COMMUN, PUBLIC UTIL										
Idaho	20,879	21,875	22,702	23,401	24,242	25,541	26,334	26,659	26,966	27,224
% Ch	2.6%	4.8%	3.8%	3.1%	3.6%	5.4%	3.1%	1.2%	1.2%	1.0%
National (Thousands)	5,811	5,984	6,135	6,254	6,395	6,548	6,737	6,805	6,882	6,897
% Ch	1.6%	3.0%	2.5%	2.0%	2.2%	2.4%	2.9%	1.0%	1.1%	0.2%
TRADE										
Idaho	109,371	116,689	121,404	125,185	129,006	132,880	137,263	141,128	145,145	148,979
% Ch	3.3%	6.7%	4.0%	3.1%	3.1%	3.0%	3.3%	2.8%	2.8%	2.6%
National (Thousands)	25,753	26,664	27,565	28,076	28,656	29,298	30,147	30,500	30,693	30,704
% Ch	1.6%	3.5%	3.4%	1.9%	2.1%	2.2%	2.9%	1.2%	0.6%	0.0%
SERVICES										
Idaho	97,221	102,834	110,114	115,993	122,647	128,310	132,895	137,560	142,342	146,907
% Ch	7.6%	5.8%	7.1%	5.3%	5.7%	4.6%	3.6%	3.5%	3.5%	3.2%
National (Thousands)	30,193	31,575	33,112	34,454	36,039	37,522	38,980	40,055	41,123	41,822
% Ch	3.9%	4.6%	4.9%	4.1%	4.6%	4.1%	3.9%	2.8%	2.7%	1.7%
STATE & LOCAL GOVERNMENT										
Idaho	76,844	78,879	81,678	83,368	84,547	87,865	90,300	91,575	92,722	93,832
% Ch	3.1%	2.6%	3.5%	2.1%	1.4%	3.9%	2.8%	1.4%	1.3%	1.2%
National (Thousands)	15,913	16,241	16,472	16,648	16,863	17,162	17,549	17,918	18,266	18,639
% Ch	1.5%	2.1%	1.4%	1.1%	1.3%	1.8%	2.3%	2.1%	1.9%	2.0%
Idaho Education	42,028	42,727	44,844	45,837	46,033	48,035	49,757	50,775	51,684	52,547
% Ch	3.9%	1.7%	5.0%	2.2%	0.4%	4.3%	3.6%	2.0%	1.8%	1.7%
Idaho Other	34,817	36,152	36,834	37,532	38,515	39,830	40,543	40,800	41,037	41,286
% Ch	2.1%	3.8%	1.9%	1.9%	2.6%	3.4%	1.8%	0.6%	0.6%	0.6%
FEDERAL GOVERNMENT										
Idaho	13,582	13,495	13,112	12,897	13,039	12,753	12,694	13,582	12,768	12,696
% Ch	0.9%	-0.6%	-2.8%	-1.6%	1.1%	-2.2%	-0.5%	7.0%	-6.0%	-0.6%
National (Thousands)	2,914	2,869	2,821	2,756	2,699	2,685	2,718	2,862	2,700	2,670
% Ch	-1.8%	-1.5%	-1.7%	-2.3%	-2.1%	-0.5%	1.2%	5.3%	-5.7%	-1.1%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FOURTH Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 1999

MISCELLANEOUS

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	351.4	364.0	418.5	448.0	423.0	456.2	524.2	553.0	590.9	667.9
% Ch	8.1%	3.6%	15.0%	7.1%	-5.6%	7.8%	14.9%	5.5%	6.8%	13.0%
National (Billions)	87.0	94.4	100.3	107.6	102.9	111.2	118.2	132.4	153.4	172.2
% Ch	3.8%	8.4%	6.3%	7.3%	-4.3%	8.1%	6.3%	12.0%	15.9%	12.3%
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	73.2	75.9	78.5	80.6	83.1	86.1	89.7	93.6	97.3	100.0
% Ch	4.3%	3.8%	3.4%	2.6%	3.1%	3.7%	4.2%	4.4%	3.9%	2.8%
Consumption Expenditures	70.5	73.1	75.8	78.0	81.0	84.3	88.4	92.9	96.8	100.0
% Ch	4.5%	3.8%	3.7%	2.8%	3.8%	4.2%	4.9%	5.1%	4.2%	3.3%
Durable Goods	85.5	86.7	87.8	88.9	91.6	93.3	95.3	96.6	98.5	100.0
% Ch	2.0%	1.4%	1.2%	1.3%	3.0%	1.8%	2.2%	1.4%	2.0%	1.5%
Nondurable Goods	74.6	76.7	78.7	78.7	81.8	84.8	89.3	94.6	98.1	100.0
% Ch	2.5%	2.8%	2.6%	0.0%	3.9%	3.7%	5.2%	6.0%	3.6%	2.0%
Services	64.9	68.2	71.6	75.3	78.2	82.2	86.6	91.2	95.8	100.0
% Ch	6.7%	5.1%	5.1%	5.1%	3.9%	5.0%	5.4%	5.4%	5.0%	4.4%
Cons. Price Index (1982-84)	99.6	103.9	107.6	109.7	113.7	118.4	124.0	130.8	136.3	140.4
% Ch	3.2%	4.4%	3.5%	1.9%	3.7%	4.1%	4.8%	5.4%	4.2%	3.0%
SELECTED INTEREST RATES										
Federal Funds	9.09%	10.23%	8.10%	6.81%	6.66%	7.57%	9.22%	8.10%	5.69%	3.52%
Prime	10.79%	12.04%	9.93%	8.33%	8.20%	9.32%	10.87%	10.01%	8.46%	6.25%
New Home Mortgage	12.66%	12.37%	11.58%	10.26%	9.31%	9.18%	10.11%	10.01%	9.30%	8.25%
U.S. Govt. 3-Month Bills	8.61%	9.52%	7.48%	5.98%	5.78%	6.67%	8.11%	7.49%	5.38%	3.43%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	83.3	89.8	92.0	99.6	104.9	105.1	104.3	101.6	94.5	100.0
% Ch	18.5%	7.8%	2.4%	8.3%	5.3%	0.2%	-0.8%	-2.6%	-6.9%	5.8%
Office & Computer Equip.	29.5	42.0	50.3	53.7	62.2	74.6	83.0	81.4	82.3	100.0
% Ch	38.5%	42.2%	19.8%	6.7%	15.9%	19.9%	11.2%	-1.9%	1.1%	21.4%
Electrical Machinery	55.9	66.7	68.4	71.0	75.6	82.5	85.8	87.7	89.6	100.0
% Ch	8.2%	19.3%	2.6%	3.7%	6.6%	9.1%	3.9%	2.3%	2.1%	11.6%
Electronic Components	29.8	40.6	41.2	44.2	51.9	58.5	65.2	72.1	80.9	100.0
% Ch	16.4%	36.2%	1.6%	7.3%	17.4%	12.7%	11.5%	10.4%	12.2%	23.7%
Food	84.6	86.4	88.9	91.2	93.5	94.9	95.9	97.0	98.4	100.0
% Ch	2.6%	2.1%	2.9%	2.6%	2.6%	1.4%	1.1%	1.2%	1.4%	1.6%
Paper	81.0	85.0	83.8	88.3	90.9	93.8	95.4	96.0	96.8	100.0
% Ch	9.0%	4.9%	-1.4%	5.3%	3.0%	3.1%	1.7%	0.6%	0.8%	3.3%
Agricultural Chemicals	73.6	85.7	80.7	74.8	84.6	90.0	97.2	100.4	97.6	100.0
% Ch	-1.4%	16.5%	-5.8%	-7.4%	13.1%	6.4%	8.1%	3.3%	-2.8%	2.5%
Metals & Minerals Mining	67.9	75.2	76.3	77.1	80.6	88.4	93.8	98.4	95.2	100.0
% Ch	2.1%	10.8%	1.4%	1.0%	4.6%	9.7%	6.2%	4.9%	-3.3%	5.1%

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Forecast Begins the FOURTH Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 1999

MISCELLANEOUS

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	723.9	766.2	835.6	867.3	899.8	929.4	1,001.2	1,056.4	1,104.4	1,161.4
% Ch	8.4%	5.8%	9.1%	3.8%	3.7%	3.3%	7.7%	5.5%	4.5%	5.2%
National (Billions)	185.8	199.2	212.0	218.9	225.0	231.1	248.0	260.6	271.3	284.2
% Ch	7.9%	7.2%	6.4%	3.3%	2.8%	2.7%	7.3%	5.1%	4.1%	4.7%
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	102.6	105.1	107.5	109.5	111.6	112.7	113.8	115.1	117.1	119.3
% Ch	2.6%	2.4%	2.3%	1.9%	1.9%	1.0%	1.0%	1.2%	1.7%	1.9%
Consumption Expenditures	102.7	105.1	107.6	109.7	111.8	112.7	114.1	115.8	118.1	120.5
% Ch	2.7%	2.4%	2.3%	2.0%	1.9%	0.8%	1.2%	1.5%	2.0%	2.1%
Durable Goods	101.2	103.3	103.7	102.7	100.7	98.3	96.4	95.4	95.1	94.9
% Ch	1.2%	2.0%	0.4%	-0.9%	-2.0%	-2.3%	-2.0%	-1.1%	-0.3%	-0.2%
Nondurable Goods	101.5	102.8	104.0	106.1	107.7	107.7	108.9	110.5	112.8	115.2
% Ch	1.5%	1.3%	1.2%	2.0%	1.5%	0.0%	1.2%	1.5%	2.1%	2.2%
Services	103.6	106.8	110.4	113.3	116.6	118.8	121.1	123.6	126.6	129.7
% Ch	3.6%	3.1%	3.3%	2.7%	2.9%	1.9%	1.9%	2.1%	2.4%	2.5%
Cons. Price Index (1982-84)	144.6	148.3	152.5	157.0	160.6	163.1	166.1	169.5	173.4	177.6
% Ch	3.0%	2.6%	2.8%	2.9%	2.3%	1.6%	1.8%	2.1%	2.3%	2.4%
SELECTED INTEREST RATES										
Federal Funds	3.02%	4.20%	5.84%	5.30%	5.46%	5.35%	4.84%	5.00%	5.00%	5.00%
Prime	6.00%	7.14%	8.83%	8.27%	8.44%	8.35%	7.84%	8.00%	8.00%	8.00%
New Home Mortgage	7.24%	7.47%	7.85%	7.77%	7.73%	7.08%	7.15%	7.29%	7.08%	6.90%
U.S. Govt. 3-Month Bills	3.00%	4.25%	5.49%	5.01%	5.06%	4.78%	4.67%	4.76%	4.65%	4.57%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	100.8	105.9	107.9	110.4	114.2	117.2	121.1	120.7	121.5	123.4
% Ch	0.8%	5.1%	1.9%	2.3%	3.5%	2.6%	3.4%	-0.4%	0.7%	1.5%
Office & Computer Equip.	120.5	149.3	211.3	298.8	423.7	649.7	923.2	1,251.8	1,555.3	1,794.5
% Ch	20.5%	23.9%	41.5%	41.4%	41.8%	53.3%	42.1%	35.6%	24.2%	15.4%
Electrical Machinery	109.6	131.4	166.3	206.0	253.4	289.5	323.7	360.9	401.3	438.0
% Ch	9.6%	19.8%	26.6%	23.9%	23.0%	14.3%	11.8%	11.5%	11.2%	9.1%
Electronic Components	115.0	154.2	243.6	356.9	523.9	664.2	848.1	1,037.5	1,243.3	1,446.0
% Ch	15.0%	34.1%	57.9%	46.5%	46.8%	26.8%	27.7%	22.3%	19.8%	16.3%
Food	102.0	103.7	105.8	105.4	108.0	109.7	111.8	113.5	115.4	116.5
% Ch	2.0%	1.6%	2.0%	-0.3%	2.4%	1.6%	2.0%	1.5%	1.7%	1.0%
Paper	104.0	108.4	109.6	108.8	114.4	114.9	116.4	118.3	121.5	123.1
% Ch	4.0%	4.2%	1.1%	-0.8%	5.2%	0.4%	1.3%	1.6%	2.7%	1.3%
Agricultural Chemicals	100.8	100.5	100.3	102.4	103.6	108.4	107.8	107.7	109.6	110.3
% Ch	0.8%	-0.4%	-0.2%	2.0%	1.2%	4.6%	-0.6%	0.0%	1.7%	0.7%
Metals & Minerals Mining	100.8	105.0	108.0	110.2	115.9	118.1	117.8	113.0	115.7	116.4
% Ch	0.8%	4.2%	2.8%	2.1%	5.1%	2.0%	-0.3%	-4.1%	2.4%	0.7%

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

APRIL 1999

DEMOGRAPHICS

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,176.8	1,183.3	1,190.0	1,196.9	1,202.6	1,208.3	1,213.9	1,219.0	1,223.9	1,228.6	1,233.4	1,238.1
% Ch	2.4%	2.2%	2.3%	2.3%	1.9%	1.9%	1.9%	1.7%	1.6%	1.5%	1.6%	1.5%
National (Millions)	264.8	265.5	266.1	266.7	267.3	267.9	268.5	269.1	269.7	270.3	270.9	271.5
% Ch	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
BIRTHS												
Idaho (Thousands)	18,245	18,397	18,558	18,726	18,558	18,590	18,618	18,629	18,660	18,680	18,706	18,728
% Ch	3.7%	3.4%	3.5%	3.7%	-3.5%	0.7%	0.6%	0.2%	0.7%	0.4%	0.6%	0.5%
National (Thousands)	3,919	3,913	3,908	3,903	3,898	3,894	3,890	3,887	3,884	3,881	3,879	3,877
% Ch	-0.6%	-0.6%	-0.5%	-0.5%	-0.5%	-0.5%	-0.4%	-0.3%	-0.3%	-0.3%	-0.2%	-0.2%
DEATHS												
Idaho (Thousands)	8,607	8,654	8,702	8,751	8,891	8,933	8,974	9,013	9,050	9,086	9,122	9,158
% Ch	2.3%	2.2%	2.2%	2.3%	6.5%	1.9%	1.8%	1.7%	1.7%	1.6%	1.6%	1.6%
National (Thousands)	2,308	2,315	2,321	2,328	2,335	2,342	2,348	2,355	2,362	2,369	2,375	2,382
% Ch	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%	1.1%	1.1%
NET MIGRATION												
Idaho (Thousands)	17,867	16,126	17,042	17,528	13,263	13,143	12,756	10,784	10,169	8,940	9,640	9,248
HOUSING												
HOUSING STARTS												
Idaho	9,684	10,096	9,004	8,081	8,351	8,224	9,424	9,465	10,898	9,748	9,414	9,602
% Ch	-13.2%	18.1%	-36.7%	-35.1%	14.1%	-5.9%	72.4%	1.7%	75.8%	-36.0%	-13.0%	8.2%
National (Millions)	1.461	1.496	1.501	1.417	1.459	1.473	1.457	1.515	1.585	1.570	1.637	1.697
% Ch	12.8%	9.9%	1.5%	-20.6%	12.3%	3.9%	-4.3%	17.1%	19.6%	-3.7%	18.2%	15.5%
SINGLE UNITS												
Idaho	8,006	8,333	7,810	7,262	7,438	7,232	7,734	8,238	9,465	8,731	8,663	8,744
% Ch	2.0%	17.4%	-22.8%	-25.3%	10.0%	-10.6%	30.8%	28.7%	74.2%	-27.6%	-3.1%	3.8%
National (Millions)	1.149	1.186	1.184	1.098	1.158	1.120	1.139	1.133	1.248	1.243	1.274	1.350
% Ch	2.5%	13.5%	-0.9%	-26.0%	23.6%	-12.5%	7.2%	-2.2%	47.2%	-1.5%	10.1%	26.3%
MULTIPLE UNITS												
Idaho	1,678	1,763	1,194	819	913	992	1,690	1,227	1,433	1,017	752	858
% Ch	-56.5%	21.8%	-79.0%	-77.9%	54.6%	39.7%	742.0%	-72.3%	86.3%	-74.6%	-70.2%	69.7%
National (Millions)	0.311	0.309	0.318	0.319	0.301	0.353	0.317	0.382	0.337	0.326	0.363	0.346
% Ch	64.3%	-2.5%	11.2%	1.7%	-20.7%	89.2%	-34.7%	110.7%	-39.9%	-11.7%	53.1%	-17.1%
HOUSING STOCK												
Idaho (Thousands)	383.1	385.3	387.3	389.0	390.8	392.6	394.6	396.7	399.1	401.3	403.3	405.4
% Ch	2.3%	2.4%	2.1%	1.8%	1.9%	1.8%	2.1%	2.1%	2.5%	2.2%	2.1%	2.1%

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

APRIL 1999

DEMOGRAPHICS

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,243.3	1,248.6	1,253.7	1,258.6	1,263.4	1,268.0	1,272.5	1,277.1	1,281.6	1,286.3	1,291.0	1,295.4
% Ch	1.7%	1.7%	1.6%	1.6%	1.5%	1.5%	1.4%	1.4%	1.4%	1.5%	1.5%	1.4%
National (Millions)	272.0	272.6	273.2	273.8	274.4	274.9	275.5	276.1	276.6	277.2	277.8	278.4
% Ch	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
BIRTHS												
Idaho (Thousands)	18.792	18.857	18.919	18.978	19.029	19.074	19.118	19.162	19.207	19.254	19.302	19.343
% Ch	1.4%	1.4%	1.3%	1.3%	1.1%	1.0%	0.9%	0.9%	0.9%	1.0%	1.0%	0.9%
National (Thousands)	3,876	3,874	3,873	3,873	3,872	3,872	3,872	3,873	3,874	3,875	3,877	3,879
% Ch	-0.1%	-0.2%	-0.1%	-0.1%	-0.1%	-0.1%	0.0%	0.1%	0.1%	0.1%	0.2%	0.2%
DEATHS												
Idaho (Thousands)	9.197	9.236	9.273	9.311	9.347	9.382	9.417	9.452	9.488	9.523	9.559	9.594
% Ch	1.7%	1.7%	1.6%	1.6%	1.6%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
National (Thousands)	2,389	2,396	2,402	2,409	2,415	2,421	2,427	2,433	2,438	2,443	2,449	2,454
% Ch	1.2%	1.1%	1.1%	1.0%	1.1%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%
NET MIGRATION												
Idaho (Thousands)	11.386	11.356	10.640	10.226	9.280	8.675	8.508	8.488	8.600	8.903	8.875	8.166
HOUSING												
HOUSING STARTS												
Idaho	9,516	9,526	9,489	9,489	9,569	9,668	9,739	9,783	9,785	9,781	9,795	9,833
% Ch	-3.5%	0.4%	-1.5%	0.0%	3.4%	4.2%	2.9%	1.8%	0.1%	-0.2%	0.6%	1.6%
National (Millions)	1.727	1.650	1.592	1.526	1.478	1.455	1.449	1.449	1.448	1.445	1.441	1.443
% Ch	7.3%	-16.6%	-13.4%	-15.6%	-12.1%	-6.0%	-1.7%	0.2%	-0.3%	-1.0%	-1.1%	0.6%
SINGLE UNITS												
Idaho	8,680	8,713	8,698	8,730	8,829	8,945	9,034	9,093	9,111	9,116	9,132	9,168
% Ch	-2.9%	1.5%	-0.7%	1.5%	4.6%	5.4%	4.1%	2.6%	0.8%	0.2%	0.7%	1.6%
National (Millions)	1.358	1.283	1.225	1.167	1.125	1.105	1.098	1.094	1.090	1.083	1.078	1.079
% Ch	2.2%	-20.2%	-17.0%	-17.7%	-13.4%	-7.0%	-2.7%	-1.2%	-1.6%	-2.6%	-1.8%	0.7%
MULTIPLE UNITS												
Idaho	836	813	792	759	741	724	705	690	674	665	663	666
% Ch	-9.9%	-10.7%	-9.9%	-15.4%	-9.3%	-8.9%	-10.2%	-8.2%	-8.7%	-5.2%	-1.3%	1.5%
National (Millions)	0.369	0.367	0.367	0.360	0.353	0.350	0.351	0.355	0.359	0.362	0.363	0.364
% Ch	29.2%	-2.4%	0.4%	-8.2%	-7.6%	-2.8%	1.5%	4.5%	3.8%	4.2%	1.2%	0.5%
HOUSING STOCK												
Idaho (Thousands)	407.5	409.6	411.6	413.7	415.8	417.9	420.0	422.1	424.3	426.4	428.5	430.7
% Ch	2.1%	2.1%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

APRIL 1999

OUTPUT, INCOME, & WAGES

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	7,495.3	7,629.2	7,703.4	7,818.4	7,955.0	8,063.4	8,170.8	8,254.5	8,384.2	8,440.6	8,537.9	8,680.0
% Ch	5.7%	7.3%	3.9%	6.1%	7.2%	5.6%	5.4%	4.2%	6.4%	2.7%	4.7%	6.8%
1992 Chain-Weighted	6,882.0	6,983.9	7,020.0	7,093.1	7,166.7	7,236.5	7,311.2	7,364.6	7,464.7	7,498.6	7,566.5	7,678.5
% Ch	3.3%	6.1%	2.1%	4.2%	4.2%	4.0%	4.2%	3.0%	5.5%	1.8%	3.7%	6.1%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	22,926	23,428	23,612	23,753	24,225	24,563	24,905	25,029	25,439	25,635	25,982	26,400
% Ch	3.1%	9.1%	3.2%	2.4%	8.2%	5.7%	5.7%	2.0%	6.7%	3.1%	5.5%	6.6%
Idaho Nonfarm (Millions)	22,185	22,586	22,802	23,016	23,521	23,836	24,159	24,307	24,782	24,951	25,307	25,709
% Ch	3.7%	7.4%	3.9%	3.8%	9.1%	5.5%	5.5%	2.5%	8.0%	2.8%	5.8%	6.5%
National (Billions)	6,284	6,390	6,477	6,550	6,667	6,744	6,821	6,905	7,004	7,082	7,161	7,254
% Ch	6.6%	6.9%	5.5%	4.6%	7.3%	4.7%	4.7%	5.0%	5.9%	4.5%	4.5%	5.3%
PERSONAL INCOME - 1992 \$												
Idaho (Millions)	21,059	21,385	21,475	21,472	21,764	22,005	22,237	22,289	22,653	22,777	23,026	23,342
% Ch	0.9%	6.3%	1.7%	-0.1%	5.6%	4.5%	4.3%	0.9%	6.7%	2.2%	4.5%	5.6%
Idaho Nonfarm (Millions)	20,378	20,616	20,738	20,806	21,131	21,353	21,571	21,646	22,068	22,169	22,428	22,731
% Ch	1.4%	4.8%	2.4%	1.3%	6.4%	4.3%	4.1%	1.4%	8.0%	1.8%	4.8%	5.5%
National (Billions)	5,772	5,834	5,891	5,920	5,989	6,042	6,091	6,149	6,237	6,293	6,347	6,414
% Ch	4.3%	4.3%	4.0%	2.0%	4.7%	3.5%	3.3%	3.9%	5.9%	3.6%	3.5%	4.3%
PER CAPITA PERS INC - CURR \$												
Idaho	19,482	19,799	19,842	19,846	20,144	20,329	20,517	20,532	20,784	20,866	21,066	21,324
% Ch	0.7%	6.7%	0.9%	0.1%	6.1%	3.7%	3.7%	0.3%	5.0%	1.6%	3.9%	5.0%
National	23,728	24,072	24,343	24,561	24,942	25,172	25,404	25,660	25,970	26,201	26,436	26,723
% Ch	5.6%	5.9%	4.6%	3.6%	6.4%	3.7%	3.7%	4.1%	4.9%	3.6%	3.6%	4.4%
PER CAPITA PERS INC - 1992 \$												
Idaho	17,895	18,073	18,046	17,940	18,097	18,211	18,318	18,284	18,508	18,539	18,669	18,853
% Ch	-1.4%	4.0%	-0.6%	-2.3%	3.6%	2.5%	2.4%	-0.7%	5.0%	0.7%	2.8%	4.0%
National	21,795	21,978	22,142	22,201	22,408	22,552	22,684	22,851	23,128	23,281	23,430	23,627
% Ch	3.4%	3.4%	3.0%	1.1%	3.8%	2.6%	2.4%	3.0%	4.9%	2.7%	2.6%	3.4%
AVERAGE ANNUAL WAGE												
Idaho	23,917	24,177	24,149	24,179	24,512	24,702	24,965	25,013	25,461	25,420	25,736	26,083
% Ch	-2.6%	4.4%	-0.5%	0.5%	5.6%	3.1%	4.3%	0.8%	7.4%	-0.6%	5.1%	5.5%
National	29,822	30,232	30,542	30,845	31,273	31,520	31,835	32,194	32,548	32,806	33,115	33,419
% Ch	2.8%	5.6%	4.2%	4.0%	5.7%	3.2%	4.1%	4.6%	4.5%	3.2%	3.8%	3.7%

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QUARTERLY DETAIL

APRIL 1999

OUTPUT, INCOME, & WAGES

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	8,795.6	8,871.5	8,950.1	9,011.1	9,067.9	9,146.7	9,237.7	9,331.0	9,444.9	9,534.5	9,613.2	9,703.0
% Ch	5.4%	3.5%	3.6%	2.8%	2.5%	3.5%	4.0%	4.1%	5.0%	3.8%	3.3%	3.8%
1992 Chain-Weighted	7,753.7	7,808.4	7,858.7	7,892.1	7,914.3	7,961.3	8,015.7	8,064.6	8,123.8	8,162.9	8,193.0	8,232.9
% Ch	4.0%	2.9%	2.6%	1.7%	1.1%	2.4%	2.8%	2.5%	3.0%	1.9%	1.5%	2.0%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	26,686	27,024	27,327	27,617	27,969	28,309	28,642	28,963	29,326	29,674	30,004	30,344
% Ch	4.4%	5.2%	4.6%	4.3%	5.2%	5.0%	4.8%	4.6%	5.1%	4.8%	4.5%	4.6%
Idaho Nonfarm (Millions)	26,000	26,333	26,621	26,910	27,264	27,595	27,918	28,232	28,606	28,941	29,259	29,595
% Ch	4.6%	5.2%	4.5%	4.4%	5.4%	4.9%	4.8%	4.6%	5.4%	4.8%	4.5%	4.7%
National (Billions)	7,349	7,443	7,521	7,591	7,672	7,745	7,818	7,893	7,988	8,065	8,134	8,207
% Ch	5.3%	5.2%	4.3%	3.8%	4.3%	3.9%	3.8%	3.9%	4.9%	3.9%	3.5%	3.7%
PERSONAL INCOME - 1992 \$												
Idaho (Millions)	23,514	23,739	23,919	24,091	24,298	24,501	24,690	24,848	25,032	25,194	25,342	25,499
% Ch	3.0%	3.9%	3.1%	2.9%	3.5%	3.4%	3.1%	2.6%	3.0%	2.6%	2.4%	2.5%
Idaho Nonfarm (Millions)	22,909	23,132	23,301	23,474	23,687	23,883	24,066	24,221	24,418	24,572	24,713	24,870
% Ch	3.2%	4.0%	3.0%	3.0%	3.7%	3.4%	3.1%	2.6%	3.3%	2.6%	2.3%	2.6%
National (Billions)	6,476	6,540	6,584	6,623	6,667	6,705	6,740	6,773	6,820	6,849	6,871	6,898
% Ch	3.9%	4.0%	2.8%	2.4%	2.7%	2.3%	2.2%	2.0%	2.8%	1.7%	1.3%	1.6%
PER CAPITA PERS INC - CURR \$												
Idaho	21,463	21,643	21,798	21,942	22,138	22,327	22,509	22,679	22,882	23,069	23,242	23,424
% Ch	2.6%	3.4%	2.9%	2.7%	3.6%	3.4%	3.3%	3.1%	3.6%	3.3%	3.0%	3.2%
National	27,014	27,303	27,531	27,728	27,965	28,172	28,378	28,592	28,876	29,093	29,281	29,486
% Ch	4.4%	4.3%	3.4%	2.9%	3.5%	3.0%	2.9%	3.1%	4.0%	3.1%	2.6%	2.8%
PER CAPITA PERS INC - 1992 \$												
Idaho	18,912	19,013	19,080	19,141	19,233	19,323	19,403	19,457	19,532	19,586	19,631	19,684
% Ch	1.3%	2.1%	1.4%	1.3%	1.9%	1.9%	1.7%	1.1%	1.5%	1.1%	0.9%	1.1%
National	23,806	23,988	24,101	24,192	24,300	24,387	24,466	24,534	24,653	24,706	24,737	24,783
% Ch	3.1%	3.1%	1.9%	1.5%	1.8%	1.4%	1.3%	1.1%	1.9%	0.9%	0.5%	0.8%
AVERAGE ANNUAL WAGE												
Idaho	26,240	26,476	26,705	26,947	27,185	27,410	27,632	27,854	28,073	28,291	28,514	28,725
% Ch	2.4%	3.7%	3.5%	3.7%	3.6%	3.3%	3.3%	3.3%	3.2%	3.1%	3.2%	3.0%
National	33,791	34,028	34,334	34,626	34,940	35,227	35,505	35,775	36,087	36,357	36,621	36,880
% Ch	4.5%	2.8%	3.6%	3.5%	3.7%	3.3%	3.2%	3.1%	3.5%	3.0%	2.9%	2.9%

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QUARTERLY DETAIL

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PERSONAL INCOME -- CURR \$\$

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	12,079	12,334	12,418	12,510	12,817	13,017	13,273	13,359	13,665	13,755	14,014	14,320
% Ch	-0.3%	8.7%	2.8%	3.0%	10.2%	6.4%	8.1%	2.6%	9.5%	2.7%	7.7%	9.0%
National (Billions)	3,533	3,606	3,664	3,722	3,798	3,855	3,916	3,990	4,062	4,118	4,177	4,238
% Ch	4.6%	8.5%	6.6%	6.4%	8.5%	6.1%	6.4%	7.8%	7.4%	5.6%	5.9%	6.0%
FARM PROPRIETORS INCOME												
Idaho (Millions)	428	534	501	423	379	390	401	370	297	309	286	303
% Ch	-15.2%	142.3%	-22.5%	-49.2%	-35.6%	12.1%	11.8%	-27.5%	-58.5%	17.2%	-26.6%	26.2%
National (Billions)	35	41	43	37	36	38	36	31	27	28	25	34
% Ch	160.2%	92.6%	23.1%	-48.0%	-2.9%	16.8%	-15.5%	-43.9%	-42.0%	4.7%	-32.2%	218.9%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	2,484	2,506	2,530	2,557	2,622	2,701	2,734	2,759	2,827	2,848	2,895	2,958
% Ch	-1.6%	3.6%	3.9%	4.3%	10.6%	12.6%	5.0%	3.7%	10.2%	3.0%	6.8%	8.9%
National (Billions)	481	487	490	496	504	512	520	527	537	544	551	562
% Ch	6.2%	4.8%	2.7%	5.0%	6.3%	6.5%	6.5%	5.0%	8.0%	5.5%	5.2%	8.4%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	3,824	3,874	3,961	4,020	4,108	4,151	4,190	4,213	4,233	4,276	4,321	4,344
% Ch	13.1%	5.3%	9.3%	6.1%	9.0%	4.3%	3.8%	2.2%	1.9%	4.1%	4.3%	2.2%
National (Billions)	1,093	1,108	1,129	1,142	1,157	1,164	1,169	1,173	1,177	1,186	1,196	1,204
% Ch	13.1%	5.6%	7.9%	4.6%	5.5%	2.2%	2.0%	1.3%	1.3%	3.2%	3.3%	2.8%
OTHER LABOR INCOME												
Idaho (Millions)	1,327	1,336	1,318	1,308	1,324	1,328	1,338	1,328	1,356	1,356	1,370	1,389
% Ch	-11.5%	2.7%	-5.3%	-3.0%	5.0%	1.2%	3.0%	-3.0%	8.7%	0.0%	4.2%	5.7%
National (Billions)	388	388	386	386	390	392	394	397	403	406	408	411
% Ch	-7.5%	-0.4%	-1.2%	-0.3%	3.8%	1.9%	2.1%	3.5%	6.0%	2.9%	2.7%	2.6%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	3,723	3,802	3,839	3,893	3,964	3,978	3,997	4,024	4,117	4,141	4,164	4,175
% Ch	14.3%	8.8%	3.9%	5.7%	7.5%	1.4%	1.9%	2.7%	9.6%	2.4%	2.2%	1.1%
National (Billions)	1,055	1,065	1,072	1,080	1,100	1,107	1,114	1,121	1,139	1,146	1,153	1,159
% Ch	8.6%	4.2%	2.5%	2.9%	7.9%	2.3%	2.6%	2.4%	6.8%	2.4%	2.5%	2.2%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,141	1,166	1,178	1,190	1,226	1,247	1,273	1,280	1,314	1,321	1,344	1,370
% Ch	-0.7%	9.1%	4.2%	4.1%	12.7%	7.0%	8.6%	2.2%	11.1%	2.1%	7.1%	8.1%
National (Billions)	300	305	308	312	320	324	328	334	341	345	349	354
% Ch	2.3%	6.5%	5.2%	5.1%	9.5%	5.3%	5.6%	6.8%	9.0%	5.0%	5.2%	5.3%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	202	209	222	232	237	245	245	256	257	271	276	282
% Ch	33.3%	14.6%	27.3%	19.3%	8.9%	14.2%	0.0%	19.2%	1.6%	23.6%	7.6%	9.5%

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

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PERSONAL INCOME -- CURR \$\$

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	14,484	14,707	14,907	15,107	15,334	15,550	15,761	15,960	16,168	16,378	16,581	16,775
% Ch	4.7%	6.3%	5.6%	5.5%	6.1%	5.8%	5.6%	5.1%	5.3%	5.3%	5.1%	4.8%
National (Billions)	4,311	4,379	4,437	4,486	4,534	4,581	4,629	4,679	4,735	4,783	4,825	4,866
% Ch	7.1%	6.5%	5.3%	4.5%	4.3%	4.2%	4.3%	4.4%	4.9%	4.1%	3.5%	3.5%
FARM PROPRIETORS INCOME												
Idaho (Millions)	292	295	310	310	306	315	323	327	314	323	334	336
% Ch	-14.2%	5.1%	21.1%	0.6%	-5.7%	12.0%	10.7%	5.9%	-15.6%	12.7%	13.5%	2.3%
National (Billions)	26	26	27	27	27	28	28	29	29	30	31	31
% Ch	-64.8%	0.7%	16.9%	-3.4%	10.2%	8.7%	7.7%	2.5%	9.9%	10.8%	12.0%	-1.2%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	3,011	3,035	3,056	3,070	3,086	3,119	3,154	3,187	3,234	3,263	3,287	3,319
% Ch	7.4%	3.2%	2.8%	1.9%	2.1%	4.3%	4.5%	4.3%	6.0%	3.7%	2.9%	4.0%
National (Billions)	572	576	580	582	585	591	597	603	611	617	621	627
% Ch	7.0%	3.0%	2.7%	1.8%	2.0%	4.1%	4.2%	4.0%	5.6%	3.5%	2.7%	3.8%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	4,361	4,400	4,430	4,460	4,487	4,509	4,532	4,569	4,607	4,646	4,681	4,712
% Ch	1.6%	3.6%	2.8%	2.7%	2.5%	1.9%	2.1%	3.3%	3.4%	3.5%	3.0%	2.6%
National (Billions)	1,208	1,220	1,228	1,236	1,245	1,250	1,254	1,263	1,271	1,280	1,288	1,295
% Ch	1.4%	3.9%	2.7%	2.8%	2.7%	1.6%	1.6%	2.6%	2.7%	3.0%	2.6%	2.1%
OTHER LABOR INCOME												
Idaho (Millions)	1,393	1,412	1,428	1,445	1,464	1,482	1,499	1,518	1,535	1,556	1,576	1,589
% Ch	1.2%	5.5%	4.6%	4.8%	5.5%	4.9%	4.9%	4.9%	4.8%	5.5%	5.2%	3.4%
National (Billions)	415	420	425	429	432	436	440	444	449	453	457	460
% Ch	3.5%	5.6%	4.3%	3.7%	3.6%	3.3%	3.5%	4.1%	4.3%	4.2%	3.6%	2.1%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	4,255	4,292	4,327	4,370	4,455	4,508	4,558	4,602	4,686	4,738	4,795	4,877
% Ch	7.9%	3.5%	3.3%	4.1%	8.0%	4.8%	4.6%	3.9%	7.5%	4.6%	4.8%	7.1%
National (Billions)	1,180	1,188	1,196	1,206	1,228	1,242	1,254	1,265	1,287	1,300	1,313	1,335
% Ch	7.3%	2.9%	2.7%	3.5%	7.5%	4.4%	4.1%	3.4%	7.1%	4.1%	4.3%	6.6%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,396	1,408	1,425	1,444	1,467	1,480	1,498	1,516	1,538	1,556	1,577	1,596
% Ch	7.6%	3.4%	5.0%	5.5%	6.4%	3.8%	4.7%	5.2%	5.8%	4.8%	5.6%	4.9%
National (Billions)	363	366	371	375	379	381	385	389	394	398	402	406
% Ch	10.4%	3.7%	4.9%	4.7%	4.7%	2.4%	3.6%	4.6%	5.5%	3.8%	4.2%	3.7%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	286	290	294	299	303	308	312	316	321	325	329	333
% Ch	4.9%	6.6%	5.8%	5.7%	6.4%	6.0%	5.8%	5.4%	5.6%	5.5%	5.3%	5.0%

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EMPLOYMENT

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	485,890	491,284	495,089	498,032	503,055	506,839	511,481	513,726	516,048	520,058	523,149	527,947
% Ch	2.5%	4.5%	3.1%	2.4%	4.1%	3.0%	3.7%	1.8%	1.8%	3.1%	2.4%	3.7%
National (Thousands)	118,459	119,273	119,974	120,655	121,461	122,317	122,995	123,934	124,795	125,516	126,141	126,816
% Ch	1.8%	2.8%	2.4%	2.3%	2.7%	2.9%	2.2%	3.1%	2.8%	2.3%	2.0%	2.2%
GOODS PRODUCING SECTOR												
Idaho	105,227	106,440	106,867	107,688	108,957	109,473	109,839	111,333	111,101	111,524	111,348	112,336
% Ch	3.1%	4.7%	1.6%	3.1%	4.8%	1.9%	1.3%	5.6%	-0.8%	1.5%	-0.6%	3.6%
National (Thousands)	24,325	24,453	24,542	24,648	24,787	24,881	24,963	25,108	25,296	25,315	25,210	25,221
% Ch	0.4%	2.1%	1.5%	1.7%	2.3%	1.5%	1.3%	2.3%	3.0%	0.3%	-1.6%	0.2%
MANUFACTURING												
Idaho	72,167	72,834	73,092	73,513	73,808	74,305	74,953	75,367	76,118	76,546	76,252	76,680
% Ch	4.0%	3.7%	1.4%	2.3%	1.6%	2.7%	3.5%	2.2%	4.0%	2.3%	-1.5%	2.3%
National (Thousands)	18,469	18,485	18,503	18,526	18,579	18,625	18,672	18,756	18,825	18,804	18,660	18,588
% Ch	-0.5%	0.4%	0.4%	0.5%	1.2%	1.0%	1.0%	1.8%	1.5%	-0.4%	-3.0%	-1.5%
DURABLE MANUFACTURING												
Idaho	43,404	44,152	44,287	44,434	44,531	45,054	45,826	46,736	47,188	47,481	47,171	47,541
% Ch	7.1%	7.1%	1.2%	1.3%	0.9%	4.8%	7.0%	8.2%	3.9%	2.5%	-2.6%	3.2%
National (Thousands)	10,727	10,777	10,810	10,840	10,896	10,947	11,015	11,091	11,160	11,157	11,062	11,022
% Ch	0.7%	1.9%	1.2%	1.1%	2.1%	1.9%	2.5%	2.8%	2.5%	-0.1%	-3.4%	-1.4%
LUMBER & WOOD PRODUCTS												
Idaho	14,517	14,462	14,413	14,385	14,346	14,260	14,153	14,203	13,698	13,954	13,661	13,628
% Ch	-2.4%	-1.5%	-1.4%	-0.8%	-1.1%	-2.4%	-3.0%	1.4%	-13.5%	7.7%	-8.1%	-1.0%
National (Thousands)	770	777	781	785	789	794	794	796	800	802	803	809
% Ch	-1.5%	3.9%	2.2%	1.9%	2.1%	2.4%	0.0%	1.0%	2.4%	0.8%	0.5%	3.2%
STONE, CLAY, GLASS, etc.												
Idaho	4,205	4,391	4,380	4,387	4,426	4,419	4,386	4,428	4,306	4,280	4,344	4,311
% Ch	0.8%	18.9%	-1.0%	0.7%	3.6%	-0.6%	-3.0%	3.9%	-10.6%	-2.4%	6.1%	-3.0%
National (Thousands)	1,978	1,985	1,999	2,008	2,015	2,024	2,029	2,042	2,057	2,055	2,048	2,050
% Ch	0.3%	1.4%	2.9%	1.9%	1.5%	1.7%	1.1%	2.6%	2.9%	-0.4%	-1.4%	0.5%
ELEC & NONELEC MACH												
Idaho	19,824	20,325	20,431	20,484	20,614	21,154	21,912	22,657	23,550	23,489	23,230	23,575
% Ch	17.1%	10.5%	2.1%	1.0%	2.6%	10.9%	15.1%	14.3%	16.7%	-1.0%	-4.3%	6.1%
National (Thousands)	3,758	3,772	3,782	3,789	3,810	3,834	3,865	3,898	3,923	3,918	3,884	3,834
% Ch	2.1%	1.5%	1.0%	0.8%	2.2%	2.5%	3.3%	3.5%	2.6%	-0.5%	-3.5%	-5.1%
OTHER DURABLES												
Idaho	4,857	4,974	5,064	5,178	5,145	5,220	5,375	5,448	5,635	5,759	5,935	6,026
% Ch	4.6%	9.9%	7.5%	9.3%	-2.5%	6.0%	12.4%	5.5%	14.4%	9.1%	12.9%	6.3%
National (Thousands)	4,222	4,243	4,248	4,258	4,282	4,296	4,328	4,355	4,380	4,382	4,327	4,329
% Ch	0.1%	2.0%	0.5%	0.9%	2.3%	1.3%	3.0%	2.6%	2.3%	0.2%	-4.9%	0.2%

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EMPLOYMENT

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	530,832	534,483	537,339	539,872	543,425	546,784	549,962	552,614	555,589	558,601	561,240	563,779
% Ch	2.2%	2.8%	2.2%	1.9%	2.7%	2.5%	2.3%	1.9%	2.2%	2.2%	1.9%	1.8%
National (Thousands)	127,593	128,703	129,221	129,551	129,754	130,037	130,377	130,801	131,222	131,557	131,753	131,941
% Ch	2.5%	3.5%	1.6%	1.0%	0.6%	0.9%	1.0%	1.3%	1.3%	1.0%	0.6%	0.6%
GOODS PRODUCING SECTOR												
Idaho	112,325	113,003	113,035	113,197	113,365	113,780	114,499	115,182	115,713	116,164	116,374	116,547
% Ch	0.0%	2.4%	0.1%	0.6%	0.6%	1.5%	2.6%	2.4%	1.9%	1.6%	0.7%	0.6%
National (Thousands)	25,267	25,196	25,026	24,831	24,592	24,428	24,313	24,250	24,194	24,117	24,020	23,904
% Ch	0.7%	-1.1%	-2.7%	-3.1%	-3.8%	-2.6%	-1.9%	-1.0%	-0.9%	-1.3%	-1.6%	-1.9%
MANUFACTURING												
Idaho	77,002	77,641	77,895	78,068	78,259	78,642	79,185	79,681	80,205	80,666	80,992	81,213
% Ch	1.7%	3.4%	1.3%	0.9%	1.0%	2.0%	2.8%	2.5%	2.7%	2.3%	1.6%	1.1%
National (Thousands)	18,506	18,409	18,288	18,146	17,983	17,866	17,799	17,766	17,732	17,690	17,615	17,513
% Ch	-1.8%	-2.1%	-2.6%	-3.1%	-3.5%	-2.6%	-1.5%	-0.7%	-0.8%	-0.9%	-1.7%	-2.3%
DURABLE MANUFACTURING												
Idaho	47,743	48,277	48,450	48,486	48,535	48,793	49,212	49,572	49,958	50,270	50,451	50,541
% Ch	1.7%	4.5%	1.4%	0.3%	0.4%	2.1%	3.5%	3.0%	3.1%	2.5%	1.5%	0.7%
National (Thousands)	10,968	10,905	10,838	10,753	10,655	10,589	10,554	10,534	10,517	10,495	10,456	10,399
% Ch	-2.0%	-2.3%	-2.4%	-3.1%	-3.6%	-2.5%	-1.3%	-0.8%	-0.7%	-0.8%	-1.5%	-2.2%
LUMBER & WOOD PRODUCTS												
Idaho	13,524	13,693	13,482	13,219	12,991	12,906	12,876	12,838	12,800	12,731	12,612	12,519
% Ch	-3.0%	5.1%	-6.0%	-7.6%	-6.7%	-2.6%	-0.9%	-1.2%	-1.2%	-2.1%	-3.7%	-2.9%
National (Thousands)	822	822	816	806	798	795	792	791	790	788	784	781
% Ch	6.5%	-0.1%	-2.8%	-4.9%	-3.8%	-1.7%	-1.5%	-0.6%	-0.5%	-1.0%	-1.9%	-1.4%
STONE, CLAY, GLASS, etc.												
Idaho	4,364	4,338	4,349	4,307	4,269	4,241	4,240	4,257	4,274	4,281	4,277	4,260
% Ch	5.0%	-2.4%	1.0%	-3.8%	-3.5%	-2.5%	-0.1%	1.6%	1.6%	0.7%	-0.4%	-1.5%
National (Thousands)	2,049	2,038	2,021	2,003	1,987	1,979	1,972	1,970	1,969	1,966	1,957	1,949
% Ch	-0.3%	-2.0%	-3.3%	-3.5%	-3.1%	-1.6%	-1.4%	-0.3%	-0.2%	-0.6%	-1.8%	-1.7%
ELEC & NONELEC MACH												
Idaho	23,917	24,133	24,370	24,716	25,124	25,558	25,987	26,390	26,775	27,141	27,407	27,626
% Ch	5.9%	3.6%	4.0%	5.8%	6.8%	7.1%	6.9%	6.3%	6.0%	5.6%	4.0%	3.2%
National (Thousands)	3,788	3,752	3,722	3,696	3,669	3,649	3,640	3,646	3,649	3,652	3,646	3,635
% Ch	-4.7%	-3.7%	-3.2%	-2.8%	-2.8%	-2.1%	-1.0%	0.6%	0.4%	0.4%	-0.7%	-1.3%
OTHER DURABLES												
Idaho	5,937	6,113	6,249	6,244	6,152	6,088	6,109	6,087	6,109	6,117	6,155	6,136
% Ch	-5.8%	12.4%	9.2%	-0.3%	-5.8%	-4.1%	1.4%	-1.4%	1.4%	0.5%	2.5%	-1.3%
National (Thousands)	4,309	4,292	4,279	4,249	4,201	4,166	4,151	4,128	4,109	4,089	4,069	4,035
% Ch	-1.8%	-1.5%	-1.3%	-2.8%	-4.4%	-3.3%	-1.5%	-2.2%	-1.8%	-1.9%	-2.0%	-3.3%

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EMPLOYMENT

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	28,763	28,682	28,805	29,079	29,277	29,250	29,127	28,631	28,930	29,064	29,081	29,139
% Ch	-0.6%	-1.1%	1.7%	3.9%	2.8%	-0.4%	-1.7%	-6.6%	4.2%	1.9%	0.2%	0.8%
National (Thousands)	7,741	7,708	7,693	7,685	7,683	7,678	7,656	7,665	7,665	7,647	7,598	7,566
% Ch	-2.1%	-1.7%	-0.8%	-0.4%	-0.1%	-0.2%	-1.1%	0.5%	0.0%	-0.9%	-2.6%	-1.7%
FOOD PROCESSING												
Idaho	17,304	17,344	17,439	17,757	17,970	17,834	17,654	17,160	17,258	17,388	17,458	17,444
% Ch	-3.4%	0.9%	2.2%	7.5%	4.9%	-3.0%	-4.0%	-10.7%	2.3%	3.0%	1.6%	-0.3%
National (Thousands)	1,704	1,694	1,686	1,687	1,690	1,691	1,686	1,696	1,703	1,708	1,697	1,710
% Ch	0.2%	-2.2%	-1.9%	0.2%	0.8%	0.1%	-1.2%	2.4%	1.7%	1.2%	-2.6%	3.2%
CANNED, CURED, & FROZEN												
Idaho	10,668	10,578	10,612	10,852	11,036	10,688	10,434	10,039	9,953	10,107	10,192	10,225
% Ch	-7.2%	-3.3%	1.3%	9.3%	7.0%	-12.0%	-9.2%	-14.3%	-3.4%	6.4%	3.4%	1.3%
OTHER FOOD PROCESSING												
Idaho	6,636	6,766	6,826	6,906	6,934	7,146	7,220	7,121	7,306	7,281	7,266	7,219
% Ch	3.1%	8.0%	3.6%	4.7%	1.7%	12.8%	4.2%	-5.4%	10.8%	-1.4%	-0.8%	-2.6%
PAPER, PRINTING, PUBLISH.												
Idaho	7,198	7,140	7,216	7,212	7,109	7,188	7,291	7,277	7,387	7,438	7,457	7,492
% Ch	6.3%	-3.2%	4.4%	-0.3%	-5.6%	4.5%	5.8%	-0.7%	6.2%	2.8%	1.0%	1.9%
National (Thousands)	2,227	2,220	2,222	2,226	2,228	2,238	2,240	2,245	2,252	2,251	2,249	2,240
% Ch	-1.0%	-1.1%	0.2%	0.8%	0.3%	1.9%	0.4%	0.9%	1.2%	-0.1%	-0.5%	-1.5%
CHEMICALS												
Idaho	2,378	2,365	2,306	2,281	2,336	2,306	2,241	2,252	2,365	2,390	2,350	2,397
% Ch	1.9%	-2.2%	-9.6%	-4.2%	10.1%	-5.0%	-10.9%	1.9%	21.7%	4.3%	-6.5%	8.3%
National (Thousands)	1,036	1,034	1,034	1,032	1,034	1,035	1,032	1,035	1,036	1,037	1,037	1,035
% Ch	0.0%	-0.6%	-0.1%	-0.5%	0.6%	0.3%	-1.0%	1.2%	0.3%	0.5%	-0.1%	-0.8%
OTHER NONDURABLES												
Idaho	1,883	1,834	1,844	1,829	1,861	1,922	1,941	1,942	1,919	1,848	1,816	1,806
% Ch	-3.2%	-10.0%	2.1%	-3.3%	7.4%	13.6%	4.0%	0.2%	-4.5%	-14.0%	-6.7%	-2.4%
National (Thousands)	2,775	2,759	2,751	2,740	2,731	2,715	2,698	2,689	2,675	2,651	2,616	2,582
% Ch	-5.1%	-2.3%	-1.2%	-1.6%	-1.4%	-2.3%	-2.4%	-1.4%	-2.1%	-3.5%	-5.2%	-5.1%
MINING												
Idaho	2,908	3,026	3,142	3,172	3,194	3,152	3,020	3,027	2,947	2,942	2,912	2,888
%Ch	12.1%	17.2%	16.3%	3.8%	2.8%	-5.1%	-15.7%	0.9%	-10.2%	-0.7%	-4.0%	-3.2%
National (Thousands)	576	580	580	583	590	592	593	592	590	580	570	560
%Ch	1.2%	3.3%	0.0%	2.1%	4.7%	1.6%	0.5%	-0.9%	-1.3%	-6.6%	-6.5%	-6.6%
METAL MINING												
Idaho	1,714	1,800	1,916	1,958	1,961	1,894	1,763	1,753	1,725	1,737	1,683	1,686
%Ch	6.2%	21.6%	28.4%	9.0%	0.5%	-13.0%	-24.9%	-2.1%	-6.4%	3.0%	-12.0%	0.7%
OTHER MINING												
Idaho	1,193	1,225	1,226	1,214	1,233	1,258	1,257	1,273	1,222	1,204	1,229	1,203
% Ch	21.3%	11.1%	0.2%	-3.9%	6.5%	8.4%	-0.3%	5.2%	-15.2%	-5.7%	8.6%	-8.4%

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

APRIL 1999

EMPLOYMENT

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	29,259	29,363	29,445	29,582	29,724	29,849	29,973	30,109	30,247	30,397	30,541	30,672
% Ch	1.7%	1.4%	1.1%	1.9%	1.9%	1.7%	1.7%	1.8%	1.9%	2.0%	1.9%	1.7%
National (Thousands)	7,538	7,505	7,450	7,392	7,328	7,277	7,245	7,232	7,215	7,195	7,159	7,114
% Ch	-1.5%	-1.8%	-2.9%	-3.1%	-3.5%	-2.8%	-1.7%	-0.7%	-1.0%	-1.1%	-1.9%	-2.5%
FOOD PROCESSING												
Idaho	17,488	17,538	17,539	17,588	17,631	17,673	17,720	17,771	17,824	17,877	17,928	17,975
% Ch	1.0%	1.1%	0.0%	1.1%	1.0%	1.0%	1.1%	1.2%	1.2%	1.2%	1.1%	1.1%
National (Thousands)	1,722	1,727	1,729	1,722	1,716	1,711	1,707	1,708	1,708	1,708	1,704	1,698
% Ch	2.8%	1.3%	0.3%	-1.4%	-1.5%	-1.2%	-0.8%	0.2%	-0.1%	0.0%	-0.8%	-1.5%
CANNED, CURED, & FROZEN												
Idaho	10,230	10,244	10,210	10,224	10,232	10,240	10,252	10,268	10,286	10,303	10,319	10,331
% Ch	0.2%	0.6%	-1.3%	0.6%	0.3%	0.3%	0.5%	0.6%	0.7%	0.7%	0.6%	0.5%
OTHER FOOD PROCESSING												
Idaho	7,258	7,294	7,329	7,364	7,399	7,433	7,468	7,503	7,538	7,573	7,609	7,645
% Ch	2.2%	2.0%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
PAPER, PRINTING, PUBLISH.												
Idaho	7,468	7,462	7,484	7,523	7,575	7,610	7,634	7,656	7,684	7,730	7,776	7,813
% Ch	-1.3%	-0.3%	1.2%	2.1%	2.8%	1.9%	1.3%	1.1%	1.5%	2.5%	2.4%	1.9%
National (Thousands)	2,235	2,226	2,208	2,194	2,181	2,169	2,161	2,159	2,157	2,154	2,147	2,137
% Ch	-0.8%	-1.7%	-3.2%	-2.4%	-2.4%	-2.1%	-1.5%	-0.3%	-0.5%	-0.6%	-1.3%	-1.7%
CHEMICALS												
Idaho	2,437	2,459	2,490	2,524	2,556	2,587	2,619	2,656	2,695	2,732	2,767	2,802
% Ch	6.8%	3.7%	5.1%	5.5%	5.2%	4.9%	5.1%	5.8%	6.0%	5.6%	5.3%	5.0%
National (Thousands)	1,033	1,032	1,026	1,022	1,016	1,015	1,014	1,015	1,014	1,013	1,010	1,007
% Ch	-0.7%	-0.4%	-2.4%	-1.4%	-2.3%	-0.6%	-0.2%	0.2%	-0.2%	-0.4%	-1.2%	-1.3%
OTHER NONDURABLES												
Idaho	1,865	1,904	1,932	1,947	1,963	1,980	2,001	2,026	2,045	2,058	2,070	2,082
% Ch	13.9%	8.5%	6.0%	3.2%	3.3%	3.5%	4.3%	5.1%	3.8%	2.6%	2.5%	2.2%
National (Thousands)	2,548	2,520	2,488	2,454	2,415	2,382	2,362	2,350	2,336	2,320	2,298	2,272
% Ch	-5.1%	-4.4%	-4.9%	-5.4%	-6.2%	-5.3%	-3.3%	-2.1%	-2.4%	-2.7%	-3.7%	-4.5%
MINING												
Idaho	2,743	2,683	2,539	2,544	2,512	2,448	2,465	2,509	2,511	2,546	2,504	2,513
%Ch	-18.7%	-8.5%	-19.7%	0.7%	-4.8%	-9.9%	2.8%	7.3%	0.3%	5.8%	-6.4%	1.4%
National (Thousands)	541	528	515	506	499	493	487	483	477	471	463	460
%Ch	-13.3%	-8.8%	-9.7%	-6.6%	-5.9%	-4.5%	-4.4%	-3.9%	-4.5%	-5.4%	-6.7%	-2.3%
METAL MINING												
Idaho	1,546	1,513	1,385	1,400	1,385	1,333	1,357	1,402	1,405	1,444	1,409	1,428
%Ch	-29.2%	-8.3%	-29.8%	4.6%	-4.5%	-14.0%	7.4%	13.9%	0.6%	11.7%	-9.2%	5.3%
OTHER MINING												
Idaho	1,197	1,170	1,155	1,143	1,128	1,114	1,107	1,106	1,106	1,102	1,095	1,085
% Ch	-2.0%	-8.7%	-5.1%	-3.9%	-5.3%	-4.7%	-2.5%	-0.3%	0.0%	-1.4%	-2.6%	-3.5%

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QUARTERLY DETAIL

APRIL 1999

EMPLOYMENT

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	30,151	30,580	30,633	31,004	31,955	32,017	31,866	32,940	32,037	32,036	32,184	32,767
% Ch	0.2%	5.8%	0.7%	4.9%	12.8%	0.8%	-1.9%	14.2%	-10.5%	0.0%	1.9%	7.4%
National (Thousands)	5,280	5,388	5,459	5,539	5,618	5,663	5,698	5,761	5,881	5,931	5,980	6,072
% Ch	3.5%	8.4%	5.4%	6.0%	5.9%	3.3%	2.5%	4.5%	8.6%	3.4%	3.3%	6.3%
SERVICE PRODUCING SECTOR												
Idaho	380,664	384,844	388,221	390,344	394,098	397,366	401,642	402,393	404,946	408,534	411,800	415,612
% Ch	2.3%	4.5%	3.6%	2.2%	3.9%	3.4%	4.4%	0.7%	2.6%	3.6%	3.2%	3.8%
National (Thousands)	94,134	94,820	95,432	96,008	96,674	97,436	98,032	98,826	99,500	100,201	100,931	101,596
% Ch	2.2%	2.9%	2.6%	2.4%	2.8%	3.2%	2.5%	3.3%	2.8%	2.8%	2.9%	2.7%
FINANCE, INSUR, REAL ESTATE												
Idaho	25,361	25,375	25,077	24,884	25,270	25,296	25,385	25,620	22,728	22,806	22,916	23,048
% Ch	1.5%	0.2%	-4.6%	-3.0%	6.4%	0.4%	1.4%	3.7%	-38.1%	1.4%	1.9%	2.3%
National (Thousands)	6,845	6,887	6,934	6,977	7,016	7,063	7,110	7,172	7,234	7,311	7,378	7,439
% Ch	1.5%	2.5%	2.8%	2.5%	2.3%	2.7%	2.7%	3.6%	3.5%	4.3%	3.7%	3.3%
TRANS, COMMUN, PUBLIC UTIL												
Idaho	23,024	23,152	23,454	23,974	23,968	24,160	24,324	24,515	24,974	25,423	25,724	26,041
% Ch	-0.1%	2.2%	5.3%	9.2%	-0.1%	3.2%	2.7%	3.2%	7.7%	7.4%	4.8%	5.0%
National (Thousands)	6,203	6,243	6,284	6,288	6,356	6,399	6,370	6,453	6,490	6,528	6,566	6,609
% Ch	0.8%	2.6%	2.6%	0.3%	4.4%	2.7%	-1.8%	5.3%	2.3%	2.4%	2.3%	2.6%
TRADE												
Idaho	123,476	124,480	126,004	126,779	128,107	128,807	129,458	129,653	131,089	132,423	133,263	134,745
% Ch	2.2%	3.3%	5.0%	2.5%	4.3%	2.2%	2.0%	0.6%	4.5%	4.1%	2.6%	4.5%
National (Thousands)	27,820	27,983	28,155	28,347	28,439	28,583	28,704	28,898	29,044	29,213	29,404	29,532
% Ch	1.6%	2.4%	2.5%	2.8%	1.3%	2.0%	1.7%	2.7%	2.0%	2.3%	2.6%	1.8%
SERVICES												
Idaho	113,597	115,628	116,741	118,005	119,291	121,602	123,821	125,876	126,733	127,859	128,693	129,955
% Ch	5.5%	7.3%	3.9%	4.4%	4.4%	8.0%	7.5%	6.8%	2.8%	3.6%	2.6%	4.0%
National (Thousands)	33,914	34,299	34,639	34,964	35,402	35,871	36,245	36,639	37,019	37,347	37,691	38,031
% Ch	4.0%	4.6%	4.0%	3.8%	5.1%	5.4%	4.2%	4.4%	4.2%	3.6%	3.7%	3.7%
STATE & LOCAL GOVERNMENT												
Idaho	82,360	83,229	84,118	83,766	84,440	84,656	85,746	83,346	86,413	87,332	88,445	89,272
% Ch	0.0%	4.3%	4.3%	-1.7%	3.3%	1.0%	5.3%	-10.7%	15.6%	4.3%	5.2%	3.8%
National (Thousands)	16,573	16,640	16,675	16,702	16,745	16,818	16,914	16,974	17,039	17,129	17,211	17,271
% Ch	1.1%	1.6%	0.8%	0.6%	1.0%	1.7%	2.3%	1.4%	1.5%	2.1%	1.9%	1.4%
Idaho Education	45,170	45,416	46,589	46,170	46,477	46,342	47,111	44,202	47,109	47,733	48,385	48,913
% Ch	-2.5%	2.2%	10.7%	-3.5%	2.7%	-1.2%	6.8%	-22.5%	29.0%	5.4%	5.6%	4.4%
Idaho Other	37,190	37,813	37,529	37,596	37,963	38,315	38,636	39,144	39,304	39,599	40,061	40,358
% Ch	3.2%	6.9%	-3.0%	0.7%	4.0%	3.8%	3.4%	5.4%	1.6%	3.0%	4.7%	3.0%
FEDERAL GOVERNMENT												
Idaho	12,846	12,979	12,828	12,936	13,023	12,844	12,908	13,383	13,010	12,691	12,758	12,551
% Ch	-3.1%	4.2%	-4.6%	3.4%	2.7%	-5.4%	2.0%	15.5%	-10.7%	-9.5%	2.1%	-6.3%
National (Thousands)	2,779	2,767	2,746	2,730	2,715	2,703	2,689	2,689	2,672	2,673	2,681	2,715
% Ch	-2.5%	-1.7%	-3.0%	-2.3%	-2.3%	-1.8%	-2.1%	0.0%	-2.5%	0.1%	1.2%	5.2%

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APRIL 1999

EMPLOYMENT

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	32,580	32,680	32,601	32,585	32,594	32,690	32,849	32,992	32,997	32,952	32,878	32,821
% Ch	-2.3%	1.2%	-1.0%	-0.2%	0.1%	1.2%	2.0%	1.8%	0.1%	-0.5%	-0.9%	-0.7%
National (Thousands)	6,220	6,258	6,223	6,179	6,111	6,069	6,026	6,001	5,985	5,957	5,942	5,931
% Ch	10.1%	2.5%	-2.2%	-2.8%	-4.3%	-2.7%	-2.8%	-1.6%	-1.1%	-1.9%	-1.0%	-0.7%
SERVICE PRODUCING SECTOR												
Idaho	418,507	421,480	424,304	426,675	430,060	433,004	435,463	437,431	439,876	442,436	444,866	447,231
% Ch	2.8%	2.9%	2.7%	2.3%	3.2%	2.8%	2.3%	1.8%	2.3%	2.3%	2.2%	2.1%
National (Thousands)	102,326	103,507	104,195	104,719	105,162	105,609	106,064	106,550	107,029	107,440	107,733	108,037
% Ch	2.9%	4.7%	2.7%	2.0%	1.7%	1.7%	1.7%	1.8%	1.8%	1.5%	1.1%	1.1%
FINANCE, INSUR, REAL ESTATE												
Idaho	23,170	23,214	23,295	23,345	23,383	23,459	23,523	23,576	23,602	23,642	23,683	23,709
% Ch	2.1%	0.8%	1.4%	0.9%	0.7%	1.3%	1.1%	0.9%	0.5%	0.7%	0.7%	0.4%
National (Thousands)	7,489	7,534	7,578	7,622	7,641	7,679	7,725	7,781	7,834	7,883	7,918	7,949
% Ch	2.7%	2.4%	2.4%	2.3%	1.0%	2.0%	2.4%	3.0%	2.7%	2.5%	1.8%	1.6%
TRANS, COMMUN, PUBLIC UTIL												
Idaho	26,208	26,279	26,389	26,459	26,512	26,617	26,711	26,797	26,856	26,932	27,009	27,068
% Ch	2.6%	1.1%	1.7%	1.1%	0.8%	1.6%	1.4%	1.3%	0.9%	1.1%	1.2%	0.9%
National (Thousands)	6,654	6,744	6,770	6,781	6,782	6,794	6,807	6,838	6,867	6,884	6,887	6,888
% Ch	2.7%	5.6%	1.5%	0.7%	0.1%	0.7%	0.8%	1.8%	1.7%	1.0%	0.2%	0.1%
TRADE												
Idaho	135,736	136,840	137,836	138,639	139,654	140,633	141,628	142,597	143,679	144,691	145,634	146,577
% Ch	3.0%	3.3%	2.9%	2.4%	3.0%	2.8%	2.9%	2.8%	3.1%	2.8%	2.6%	2.6%
National (Thousands)	29,761	30,108	30,318	30,402	30,426	30,440	30,525	30,608	30,657	30,683	30,709	30,722
% Ch	3.1%	4.7%	2.8%	1.1%	0.3%	0.2%	1.1%	1.1%	0.6%	0.3%	0.3%	0.2%
SERVICES												
Idaho	131,049	132,373	133,580	134,577	135,792	136,966	138,159	139,323	140,599	141,798	142,923	144,048
% Ch	3.4%	4.1%	3.7%	3.0%	3.7%	3.5%	3.5%	3.4%	3.7%	3.5%	3.2%	3.2%
National (Thousands)	38,341	38,886	39,207	39,485	39,651	39,895	40,161	40,512	40,823	41,067	41,218	41,386
% Ch	3.3%	5.8%	3.3%	2.9%	1.7%	2.5%	2.7%	3.5%	3.1%	2.4%	1.5%	1.6%
STATE & LOCAL GOVERNMENT												
Idaho	89,812	90,136	90,462	90,790	91,117	91,428	91,731	92,024	92,301	92,585	92,865	93,135
% Ch	2.4%	1.5%	1.5%	1.5%	1.4%	1.4%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%
National (Thousands)	17,380	17,522	17,599	17,694	17,789	17,876	17,962	18,046	18,130	18,217	18,306	18,412
% Ch	2.6%	3.3%	1.8%	2.2%	2.2%	2.0%	1.9%	1.9%	1.9%	1.9%	2.0%	2.3%
Idaho Education	49,378	49,628	49,882	50,142	50,405	50,657	50,901	51,136	51,354	51,577	51,796	52,009
% Ch	3.9%	2.0%	2.1%	2.1%	2.1%	2.0%	1.9%	1.9%	1.7%	1.8%	1.7%	1.7%
Idaho Other	40,434	40,509	40,580	40,648	40,711	40,771	40,829	40,888	40,947	41,008	41,069	41,126
% Ch	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
FEDERAL GOVERNMENT												
Idaho	12,531	12,637	12,742	12,865	13,602	13,901	13,710	13,115	12,838	12,789	12,752	12,694
% Ch	-0.6%	3.4%	3.4%	3.9%	25.0%	9.1%	-5.4%	-16.3%	-8.2%	-1.5%	-1.1%	-1.8%
National (Thousands)	2,701	2,712	2,724	2,736	2,873	2,925	2,884	2,766	2,717	2,706	2,696	2,679
% Ch	-2.0%	1.7%	1.7%	1.9%	21.6%	7.4%	-5.5%	-15.4%	-7.0%	-1.6%	-1.4%	-2.5%

**National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FOURTH Quarter of 1998**

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

APRIL 1999

MISCELLANEOUS

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	846.2	884.3	869.1	869.7	880.4	891.9	898.5	928.3	918.1	912.6	931.3	955.7
% Ch	13.2%	19.3%	-6.7%	0.3%	5.0%	5.3%	3.0%	13.9%	-4.3%	-2.4%	8.5%	10.9%
National (Billions)	214.3	223.8	219.0	218.4	220.7	223.2	224.4	231.8	228.7	226.9	231.4	237.4
% Ch	12.5%	18.9%	-8.3%	-1.1%	4.3%	4.6%	2.2%	13.9%	-5.2%	-3.1%	8.2%	10.8%
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	108.9	109.3	109.8	110.2	111.0	111.4	111.8	112.1	112.3	112.6	112.8	113.0
% Ch	2.2%	1.4%	1.8%	1.6%	2.8%	1.7%	1.2%	1.1%	0.9%	0.9%	1.0%	0.7%
Consumption Expenditures	108.9	109.6	110.0	110.6	111.3	111.6	112.0	112.3	112.3	112.5	112.8	113.1
% Ch	2.2%	2.5%	1.5%	2.5%	2.5%	1.1%	1.3%	1.1%	0.0%	0.9%	1.0%	0.9%
Durable Goods	103.5	102.9	102.5	102.1	101.8	101.0	100.2	99.6	99.3	98.7	98.0	97.3
% Ch	0.6%	-2.1%	-1.5%	-1.8%	-0.9%	-3.4%	-2.8%	-2.4%	-1.4%	-2.2%	-3.0%	-2.6%
Nondurable Goods	105.1	106.0	106.1	107.1	107.6	107.5	107.7	108.0	107.3	107.4	107.8	108.1
% Ch	3.0%	3.6%	0.3%	3.6%	2.0%	-0.2%	0.8%	0.9%	-2.2%	0.2%	1.5%	0.9%
Services	112.1	113.0	113.7	114.5	115.5	116.3	117.0	117.6	118.0	118.6	119.0	119.6
% Ch	2.1%	3.0%	2.7%	2.9%	3.5%	2.8%	2.5%	1.9%	1.4%	1.9%	1.7%	1.7%
Cons. Price Index (1982-84)	155.1	156.5	157.4	158.7	159.7	160.2	160.9	161.7	162.1	162.8	163.5	164.2
% Ch	3.3%	3.7%	2.3%	3.3%	2.5%	1.2%	1.9%	1.8%	1.0%	1.8%	1.6%	1.7%
SELECTED INTEREST RATES												
Federal Funds	5.36%	5.24%	5.31%	5.28%	5.28%	5.52%	5.53%	5.51%	5.52%	5.50%	5.53%	4.86%
Prime	8.33%	8.25%	8.25%	8.25%	8.27%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	7.92%
New Home Mortgage	7.34%	7.87%	8.02%	7.85%	7.82%	8.00%	7.66%	7.45%	7.23%	7.18%	7.07%	6.86%
U.S. Govt. 3-Month Bills	4.93%	5.02%	5.10%	4.98%	5.06%	5.05%	5.05%	5.09%	5.05%	4.98%	4.82%	4.26%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	108.2	111.3	111.1	111.0	113.1	115.1	114.1	114.5	115.6	116.4	117.7	119.0
% Ch	-3.1%	12.1%	-0.6%	-0.4%	7.9%	7.3%	-3.4%	1.1%	4.0%	2.9%	4.4%	4.5%
Office & Computer Equip.	258.8	284.2	314.4	338.0	365.2	398.5	445.9	485.2	556.1	623.6	675.4	743.5
% Ch	43.2%	45.6%	49.7%	33.5%	36.4%	41.7%	56.7%	40.2%	72.6%	58.1%	37.6%	46.8%
Electrical Machinery	187.8	203.3	212.6	220.4	230.9	245.9	262.8	273.7	278.2	282.8	292.7	304.5
% Ch	17.6%	37.3%	19.6%	15.5%	20.5%	28.6%	30.6%	17.6%	6.7%	6.8%	14.7%	17.2%
Electronic Components	300.8	345.3	376.2	405.3	443.5	494.3	560.6	597.4	610.0	624.7	674.8	747.4
% Ch	29.9%	73.6%	40.8%	34.7%	43.4%	54.3%	65.5%	28.9%	8.7%	10.0%	36.2%	50.5%
Food	105.1	104.9	105.1	106.5	107.7	107.6	108.0	108.5	110.1	110.0	108.2	110.5
% Ch	-0.9%	-1.0%	0.9%	5.5%	4.5%	-0.4%	1.6%	1.8%	5.8%	-0.1%	-6.5%	8.9%
Paper	105.8	108.6	109.5	111.1	113.1	113.5	115.3	115.8	115.5	115.0	115.0	114.0
% Ch	-7.7%	11.1%	3.4%	6.0%	7.2%	1.6%	6.4%	1.7%	-0.9%	-1.8%	0.1%	-3.4%
Agricultural Chemicals	102.7	100.5	103.4	102.8	102.5	104.5	104.1	103.3	105.8	106.8	112.1	109.0
% Ch	4.7%	-8.3%	12.1%	-2.5%	-0.9%	8.0%	-1.7%	-2.9%	9.9%	3.9%	21.3%	-10.4%
Metals & Minerals Mining	106.5	109.9	111.4	113.1	114.9	115.2	115.9	117.4	119.6	117.5	116.5	119.0
% Ch	-5.8%	13.5%	5.5%	6.3%	6.7%	1.0%	2.3%	5.2%	7.9%	-7.1%	-3.2%	8.9%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FOURTH Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

APRIL 1999

MISCELLANEOUS

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	979.4	993.4	1,008.4	1,023.8	1,038.7	1,053.1	1,063.2	1,070.8	1,083.0	1,094.6	1,106.3	1,133.5
% Ch	10.3%	5.9%	6.1%	6.3%	5.9%	5.7%	3.9%	2.9%	4.6%	4.4%	4.3%	10.2%
National (Billions)	243.1	246.2	249.6	253.2	256.6	259.9	262.2	263.7	266.5	269.1	271.6	278.2
% Ch	9.9%	5.3%	5.6%	5.8%	5.5%	5.3%	3.5%	2.4%	4.2%	3.9%	3.9%	10.1%
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	113.4	113.6	113.9	114.2	114.6	114.9	115.3	115.7	116.3	116.8	117.4	117.9
% Ch	1.4%	0.7%	1.0%	1.0%	1.4%	1.1%	1.3%	1.6%	2.0%	1.9%	1.8%	1.8%
Consumption Expenditures	113.5	113.8	114.2	114.6	115.1	115.5	116.0	116.6	117.2	117.8	118.4	119.0
% Ch	1.4%	1.2%	1.5%	1.4%	1.6%	1.5%	1.6%	1.9%	2.0%	2.2%	2.1%	2.1%
Durable Goods	96.9	96.6	96.2	95.9	95.6	95.4	95.3	95.2	95.1	95.1	95.1	95.1
% Ch	-1.9%	-1.4%	-1.3%	-1.4%	-1.2%	-0.8%	-0.6%	-0.3%	-0.2%	-0.1%	0.0%	-0.1%
Nondurable Goods	108.5	108.7	109.1	109.4	109.8	110.3	110.7	111.3	111.9	112.5	113.1	113.7
% Ch	1.8%	0.7%	1.2%	1.1%	1.8%	1.5%	1.7%	2.0%	2.1%	2.3%	2.3%	2.2%
Services	120.1	120.7	121.4	122.0	122.7	123.3	123.9	124.6	125.4	126.2	127.0	127.7
% Ch	1.9%	2.0%	2.2%	2.1%	2.2%	2.0%	2.1%	2.4%	2.5%	2.6%	2.5%	2.4%
Cons. Price Index (1982-84)	164.9	165.7	166.5	167.3	168.2	169.0	169.9	170.9	171.9	172.9	174.0	175.0
% Ch	1.8%	1.8%	2.0%	2.0%	2.1%	2.0%	2.1%	2.3%	2.3%	2.5%	2.4%	2.4%
SELECTED INTEREST RATES												
Federal Funds	4.73%	4.75%	4.87%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Prime	7.75%	7.75%	7.87%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
New Home Mortgage	6.98%	7.11%	7.21%	7.30%	7.34%	7.33%	7.27%	7.20%	7.14%	7.10%	7.06%	7.02%
U.S. Govt. 3-Month Bills	4.42%	4.64%	4.77%	4.86%	4.78%	4.77%	4.76%	4.72%	4.71%	4.67%	4.61%	4.59%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	121.7	121.9	121.1	119.9	119.7	120.6	121.1	121.3	121.6	121.5	121.2	121.6
% Ch	9.5%	0.5%	-2.6%	-3.8%	-0.6%	3.1%	1.8%	0.7%	0.9%	-0.3%	-0.9%	1.2%
Office & Computer Equip.	806.0	884.5	960.7	1,041.6	1,127.2	1,210.1	1,294.1	1,375.8	1,452.1	1,529.6	1,591.6	1,647.9
% Ch	38.1%	45.1%	39.2%	38.2%	37.2%	32.8%	30.8%	27.7%	24.1%	23.1%	17.2%	14.9%
Electrical Machinery	312.1	319.5	327.2	336.1	345.0	355.7	366.3	376.5	387.2	397.1	406.3	414.7
% Ch	10.3%	9.8%	10.0%	11.4%	11.0%	13.0%	12.4%	11.7%	11.9%	10.5%	9.6%	8.6%
Electronic Components	794.0	826.6	863.2	908.7	957.9	1,011.8	1,064.5	1,115.9	1,168.9	1,218.9	1,268.5	1,316.8
% Ch	27.4%	17.4%	19.0%	22.8%	23.5%	24.5%	22.5%	20.7%	20.4%	18.2%	17.3%	16.1%
Food	111.4	111.8	111.9	112.2	112.6	113.2	113.8	114.4	114.9	115.4	115.6	115.8
% Ch	3.3%	1.2%	0.6%	1.0%	1.3%	2.2%	2.4%	2.0%	1.7%	1.6%	0.8%	0.6%
Paper	114.9	116.3	117.1	117.5	116.8	117.8	118.8	119.7	120.8	121.5	121.8	122.1
% Ch	3.0%	4.8%	2.9%	1.5%	-2.4%	3.5%	3.5%	3.0%	3.6%	2.3%	1.2%	0.9%
Agricultural Chemicals	107.8	108.0	107.8	107.5	106.8	107.0	108.2	109.0	109.4	109.7	109.6	109.5
% Ch	-4.5%	0.9%	-0.9%	-1.2%	-2.6%	0.8%	4.6%	2.9%	1.6%	0.9%	-0.1%	-0.4%
Metals & Minerals Mining	120.3	119.3	117.1	114.5	112.8	112.3	112.7	114.0	115.6	116.4	115.7	115.0
% Ch	4.6%	-3.3%	-7.4%	-8.6%	-5.6%	-1.7%	1.2%	4.7%	5.6%	2.8%	-2.2%	-2.4%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FOURTH Quarter of 1998

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APPENDIX

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THE DRI U.S. MACROECONOMIC MODEL

Standard and Poor's DRI Macroeconomic Model is a multiple-equation model of the U.S. economy. Consisting of over 1,200 equations, the model is solved iteratively to generate the results of different policy and forecast scenarios. The model incorporates the best insights of many theoretical schools of thought to depict the economic decision processes and interactions of households, businesses, and governments.

The DRI model is divided into the following eight major sectors:

- I Private Domestic Spending**
- II Production and Income**
- III Taxes**
- IV International Transactions**
- V Financial**
- VI Inflation**
- VII Supply**
- VIII Expectations**

- I. **Private Domestic Spending.** Major aggregate demand components include consumption, investment, and government. Consumer purchases are divided among three categories: durable goods, nondurable goods, and services. In nearly all cases, real expenditures are influenced by real income and the relative price of consumer goods. Durable and semidurable goods are also sensitive to household net worth, current finance costs, and consumer sentiment.

DRI divides investment into two general categories: fixed investment and inventories. The former is driven by utilization rates, capital stock, relative prices, financial market conditions, financial balance sheet conditions, and government policies. Inventory investment is heavily influenced by such factors as past and present sales levels, vendor performance, and utilization rates.

The government sector is divided into federal government and state and local government. Most of the federal expenditure side is exogenous. Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes, and contributions for social insurance. State and local sector receipts depend primarily on federal grants and various tax rates and bases. State and local government spending is driven by legal requirements (i.e., balanced budgets), the level of federal grants (due to the matching requirements of many programs), population growth, and trend increases in personal income.

- II. **Production and Income.** The industrial production sector includes 74 standard industrial classifications. Production is a function of various cyclical and trend variables and a generated output term, i.e., the input-output (I-O) relationship between the producing industry and both intermediate industries and final demand. The cyclical and trend variables correct for changes in I-O coefficients that are implied by the changing relationship between buyers and sellers.

Pre-tax income categories include private and government wages, corporate profits, interest rate, and entrepreneurial returns. Each of these categories, except corporate profits, is determined by some combination of wages, prices, interest rates, debt levels, capacity utilization rate, and unemployment rate. Corporate profits are calculated as the residual of total national income less the non-profit components of income mentioned above.

- III. **Taxes.** The model tracks personal, corporate, payroll, and excise taxes separately. Tax revenues are simultaneously forecast as the product of the rate and the associated pre-tax income components. The model automatically adjusts the effective average personal tax rate for variations in inflation and income per household, and the effective average corporate rate for credits earned on equipment, utility structures, and R&D. State taxes are fully endogenous, except for corporate profits and social insurance tax rates.
- IV. **International.** The international sector can either add or divert strength from the central flow of domestic income and spending. Imports' ability to capture varying shares of domestic demand depends on the prices of foreign output, the U.S. exchange rate, and competing domestic prices. Exports' portion of domestic spending depends on similar variables and the level of world gross domestic product. The exchange rate itself responds to international differences in inflation, interest rates, trade deficits, and capital flows between the U.S. and its competitors. Investment income flows are also explicitly modeled.
- V. **Financial.** The DRI model includes a highly detailed financial sector. Several short- and long-term interest rates are covered in this model, and they are the key output of this sector. The short-term rates depend upon the balance between the demand and supply of reserves in the banking system. The supply of reserves is the primary exogenous monetary policy lever within the model, reflecting the Federal Reserve's open market purchases or sales of Treasury securities. Longer-term interest rates are driven by shorter-term rates as well as factors affecting the slope of the yield curve. These factors include inflation expectations, government borrowing requirements, and corporate finance needs.
- VI. **Inflation.** Inflation is modeled as a controlled, interactive process involving wages, prices, and market conditions. The principal domestic cost influences are labor compensation, nonfarm productivity, and foreign input costs that later are driven by the exchange rate, the price of oil, and foreign wholesale price inflation. This set of cost influences drives each of the industry-specific producer price indexes, in combination with a demand pressure indicator and appropriately weighted composites of the other producer price indexes.
- VII. **Supply.** In this model, aggregate supply (or potential GNP), is estimated by a Cobb-Douglas production function that combines factor input growth and improvements to total factor productivity. Factor input equals a weighted average of labor, business fixed capital, and energy. Factor supplies are defined by estimates of the full employment labor force, the full employment capital stock net of pollution abatement equipment, the domestic production of petroleum and natural gas, and the stock of infrastructure. Total factor productivity depends upon the stock of research and development capital and trend technological change.
- VIII. **Expectations.** Expectations impact several expenditure categories in the model, but the principal nuance relates to the entire spectrum of interest rates. Shifts in price expectations or the expected government capital needs influences are captured directly in this model through price expectations and budget deficit terms. The former impacts all interest rates and the latter impacts intermediate- and long-term rates. On the expenditure side, inflationary expectations impact consumption via consumer sentiment, while growth expectations affect business investment.

THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations, which are estimated using quarterly data. The primary exogenous variables are obtained from the DRI U.S. Macroeconomic Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

$$\begin{aligned} \text{personal income} = & \text{wage and salary payments} + \text{other labor} \\ & \text{income} + \text{farm proprietors' income} + \text{nonfarm proprietors' income} \\ & + \text{property income} + \text{transfer payments} - \text{contributions} \\ & \text{for social insurance} + \text{residence adjustment.} \end{aligned}$$

With the exception of farm proprietors' income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietors' income and wage and salary payments each comprisesubmodels containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly aggregatedsubmodel consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes, imputed rent income, corporate farm income, and government payments to farmers. Farm proprietors' income includes inventory changes and imputed rent, but this component is netted out of the tax base.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 18 Standard Industrial Classification (SIC) employment categories. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables. Domestic employment equations are specified primarily as functions of state-specific demand variables. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments.

The demographic component of the model is used to forecast components of population change and housing starts. Resident population, births, and deaths are modeled stochastically. Net migration is calculated residually from the estimates for those variables. Housing starts are divided into single and multiple units. Each equation is functionally related to economic and population variables.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period. The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares. Model equations are occasionally respecified in response to the dynamic nature of the Idaho and national economies. Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of endogenous

variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned above, the forecast period values of exogenous variables are primarily obtained from DRI's U.S. Macroeconomic Model.

Since the output of the IEM depends in large part upon the output of the DRI model, an understanding of the DRI model, its input assumptions, and its output is useful in evaluating the results of the IEM's forecast. The assumptions and output of the DRI model are discussed in the National Forecast section.

EQUATIONS OF THE IDAHO ECONOMIC MODEL

ID0AHEMF:	$ID0AHEMF = 3.18580 + 6.85635 * ID0NEWMF \backslash 1 / ID0NEWMF \backslash 1 * JRWSSNF + 9.85903 * ID0NEWMF \backslash 1 / ID0NEWMF \backslash 1 * JRWSSNF$
ID0AVGW\$:	$ID0AVGW\$ = ((ID0WBB\$ - ID0WBBF\$ - ID0WBBMIL\$) / ID0NEW) * 1000$
ID0CRCROP:	$ID0CRCROP = -2.14930 + 0.00433317 * CRCROP + 3.14862 * WPI01$
ID0CRLVSTK:	$ID0CRLVSTK = -1.51523 + 0.00893620 * CRCATCVS + 2.42670 * WPI01$
ID0EXFP:	$ID0EXFP = -1.59267 + 4.03153 * WPI01$
ID0GIA\$:	$ID0GIA\$ = 63.1032 + 838.648 * VAIDGF @ SL * ID0NPT / N$
ID0HSPR:	$ID0HSPR = ID0HSPRS1 @ A + ID0HSPRS2A @ A$
ID0HSPRS1 @ A:	$ID0HSPRS1 @ A = -8.92053 - 0.454994 * (RMMTGNN\$ - MOVAVG(5 TO 1, RMMTGNN\$)) + 117.359 * (MOVAVG(4 TO 1, ID0NPT) - MOVAVG(8 TO 5, ID0NPT)) + 0.0362739 * ID0KHU \backslash 1$
ID0HSPRS2A @ A:	$ID0HSPRS2A @ A = 8.27784 + 45.2796 * (MOVAVG(4 TO 1, ID0NPT) - MOVAVG(8 TO 5, ID0NPT)) - 0.312165 * MOVAVG(3 TO 0, RMMTGNN\$) - 0.0268444 * TIME$
ID0IPMFDNEC:	$ID0IPMFDNEC = 13.0 * JQIND25 * 100 / 81.2 + 52.5 * JQIND37 * 100 / 81.2 + 15.7 * JQIND39 * 100 / 81.2$
ID0IP26&27:	$ID0IP26 \& 27 = 252.3 * JQIND26 * 100 / 498.1 + 245.8 * JQIND27 * 100 / 498.1$
ID0IP32&34:	$ID0IP32 \& 34 = 58.8 * JQIND32 * 100 / 206.9 + 148.1 * JQIND34 * 100 / 206.9$
ID0KHU:	$ID0KHU = ID0KHU1 + ID0KHU2A$
ID0KHU1:	$ID0KHU1 = ((1 - 0.003) ** .25) * ID0KHU1 \backslash 1 + ID0HSPRS1 @ A / 4$
ID0KHU2A:	$ID0KHU2A = ((1 - 0.003) ** .25) * ID0KHU2A \backslash 1 + ID0HSPRS2A @ A / 4$
ID0NB:	$ID0NB = 5.11652 + 35.6767 * ID0NPT - 0.145540 * TIME$
ID0ND:	$ID0ND = 0.274964 + 5.34123 * ID0NPT + 0.0107697 * TIME$
ID0NEW:	$ID0NEW = ID0NEWMF + ID0NEWNM$
ID0NEWCC:	$ID0NEWCC = 7.79798 + 0.466532 * ID0HSPR + 0.630148 * ID0HSPR \backslash 1 + 0.793764 * ID0HSPR \backslash 3$
ID0NEWFIR:	$ID0NEWFIR = 4.88198 + 0.0421106 * ID0NEW \backslash 1 - 0.942322 * DUM87ON - 0.175627 * TIME + 30.5484 * MOVAVG(4 TO 1, ID0NPT)$

ID0NEWGOOD: $ID0NEWGOOD = ID0NEWMF + ID0NEWMG + ID0NEWCC$
 ID0NEWGV: $ID0NEWGV = ID0NEWGVF + ID0NEWGVSL$
 ID0NEWGVF: $ID0NEWGVF = 0.788215 + 660.018 * EGF * (ID0NPT / N) + 4.98491 * EGF * (GFO92C / GF92C)$
 ID0NEWGVSL: $ID0NEWGVSL = ID0NEWGVSLED + ID0NEWGVSL@ED$
 ID0NEWGVSL@ED: $ID0NEWGVSL@ED = -16.2761 + 24.0779 * ID0NPT + 0.128879 * TIME$
 ID0NEWGVSLED: $ID0NEWGVSLED = -16.5221 + 84.6878 * (ID0NPT * ((N - N16) / N)) + 0.494600 * MOVAVG(8 \text{ TO } 4, ID0YPTXB) + 0.155457 * TIME$
 ID0NEWMF: $ID0NEWMF = ID0NEWMFD + ID0NEWMFN$
 ID0NEWMFD: $ID0NEWMFD = ID0NEW24 + ID0NEW32\&34 + ID0NEW35\&36 + ID0NEWMFDNEC$
 ID0NEWMFDNEC: $ID0NEWMFDNEC = -3.38439 + 0.0678202 * ID0IPMFDNEC$
 ID0NEWMFN: $ID0NEWMFN = ID0NEW20 + ID0NEW26\&27 + ID0NEW28 + ID0NEWMFNNEC$
 ID0NEWMFNNEC: $ID0NEWMFNNEC = -0.426344 + 0.00436808 * (CNCS92C + CNOO92C) - 0.325229 * DUM87ON$
 ID0NEWMG: $ID0NEWMG = ID0NEWMG@10 + ID0NEW10$
 ID0NEWMG@10: $ID0NEWMG@10 = 1.79701 + 1.25110 * MOVAVG(2 \text{ TO } 0, JQIND287) - 0.0101009 * TIME$
 ID0NEWNGOOD: $ID0NEWNGOOD = ID0NEWNM - ID0NEWMG - ID0NEWCC$
 ID0NEWNM: $ID0NEWNM = ID0NEWCC + ID0NEWFIR + ID0NEWGV + ID0NEWSV + ID0NEWTCU + ID0NEWWR + ID0NEWMG$
 ID0NEWSV: $ID0NEWSV = -52.9372 + 6.93236 * MOVAVG(3 \text{ TO } 0, YPADJ@ID) / MOVAVG(3 \text{ TO } 0, PCWC) + 0.115663 * TIME$
 ID0NEWTCU: $ID0NEWTCU = 13.4171 + 0.0503977 * ID0NEW\1 - 0.0743980 * TIME$
 ID0NEWWR: $ID0NEWWR = -8.98439 + 6.40422 * MOVAVG(3 \text{ TO } 0, YPADJ@ID) / MOVAVG(3 \text{ TO } 0, PCWC)$
 ID0NEW10: $ID0NEW10 = -0.0773180 + 5.00124 * MOVAVG(1 \text{ TO } 0, JQIND33) - 2.05821 * JQIND33 / EMI$
 ID0NEW20: $ID0NEW20 = ID0NEW20@203 + ID0NEW203$
 ID0NEW20@203: $ID0NEW20@203 = 0.549513 - 0.303608 * CNFOOD92C / N + 0.0348670 * TIME$

ID0NEW203: ID0NEW203= 8.19862 +2.98922*MOVAVG(3 TO 1,JQIND20)

ID0NEW24: ID0NEW24= 11.9180 +17.1798*MOVAVG(1 TO 0,JQIND24)
-13.8479*MOVAVG(1 TO 0,JQIND24)*JRWSSNF/WPI08
-0.0335056*TIME

ID0NEW26&27: ID0NEW26&27= -1.58545 +0.0737566*MOVAVG(4 TO 1,ID0IP26&27)
+0.00596470*TIME

ID0NEW28: ID0NEW28= -2.59514 +0.528428*MOVAVG(2 TO 1,JQIND287)
-2.29839*DUM95ON +0.0336266*TIME

ID0NEW32&34: ID0NEW32&34= -1.73827 +0.0285219*MOVAVG(1 TO 0,ID0IP32&34)
-1.89165*JQIND34/E34
+0.0573669*((ID0NEW20\1+ID0NEW24\1+ID0NEWMG\1+ID0NEWCC\1
+ID0NEW26&27\1))

ID0NEW35: ID0NEW35= -3.70595 +0.616774*JQIND357 -1.34095*DUM861884
+0.0608103*TIME

ID0NEW35&36: ID0NEW35&36= ID0NEW35 + ID0NEW36

ID0NEW36: ID0NEW36= -6.96016 +0.895999*JQIND367 -1.14071*DUM801884
+0.0684442*TIME

ID0NMG: ID0NMG= 4*(ID0NPT-ID0NPT\1) - (ID0NB-ID0ND)/1000

ID0NPT: ID0NPT= -0.0791335 +1.01542*ID0NPT\1
+0.0666984*(ID0NEW\1/ID0NEW\5)/(EEA\1/EEA\5)

ID0WBB\$: ID0WBB\$= ID0WBBMF\$ + ID0WBBOTH\$ + ID0WBBCC\$ + ID0WBBF\$
+ID0WBBMIL\$

ID0WBBCC\$: ID0WBBCC\$= (ID0WRWCC\$*ID0NEWCC)/1000000

ID0WBBF\$: ID0WBBF\$= -0.382002 +0.495508*WPI02

ID0WBBMF\$: ID0WBBMF\$= (ID0WRWMF\$*ID0NEWMF)/1000000

ID0WBBMIL\$: ID0WBBMIL\$= 0.0367701 +0.128945*PCWC

ID0WBBOTH\$: ID0WBBOTH\$= ID0WRWOTH\$*(ID0NEW-ID0NEWCC-ID0NEWMF)/1000000

ID0WRWCC\$: ID0WRWCC\$= 8160.41 +1582.68*ID0AHEMF

ID0WRWMF\$: ID0WRWMF\$= -12509.5 +3591.33*ID0AHEMF

ID0WRWOTH\$: ID0WRWOTH\$= -5620.12 +2258.38*ID0AHEMF

ID0YDIR\$: ID0YDIR\$= 0.153982
+0.904905*((YINTPER+DIV+YRENTADJ)
* MOVAVG(4 TO 1,ID0YP\$)/MOVAVG(4 TO 1,YP))

ID0YFC\$: $ID0YFC\$ = -0.141617 + 0.818342 * ID0YFC\$ \setminus 1 + 0.147401 * WPI01$
 ID0YINV&R\$: $ID0YINV\&R\$ = -0.0834809 + 0.672831 * ID0YINV\&R\$ \setminus 1 + 0.147306 * WPI01$
 ID0YP: $ID0YP = ID0YP\$ / PCWC$
 ID0YP\$: $ID0YP\$ = ID0WBB\$ + ID0YSUP\$ + ID0YDIR\$ + ID0YPRNF\$ + ID0YPRF\$ + ID0YTR\$ + ID0YRA\$ - ID0YSI\$$
 ID0YPNF: $ID0YPNF = ID0YPNF\$ / PCWC$
 ID0YPNF\$: $ID0YPNF\$ = ID0YP\$ - ID0YPRF\$ - ID0WBBF\$$
 ID0YPNFPC: $ID0YPNFPC = ID0YPNF\$ / PCWC / ID0NPT$
 ID0YPRF\$: $ID0YPRF\$ = 0.314346 + 318.888 * (((ID0CRCROP + ID0CRLVSTK + ID0YTRF\$ + ID0YINV\&R\$ - ID0YFC\$ - ID0EXFP) / 1000))$
 ID0YPRNF\$: $ID0YPRNF\$ = -0.245149 + 0.00560021 * YENTNFADJ$
 ID0YPTXB: $ID0YPTXB = (ID0WBB\$ + ID0YPRNF\$ + ID0YDIR\$ + (ID0YPRF\$ ID0YINV\&R\$ / 1000)) / PCWC$
 ID0YRA\$: $ID0YRA\$ = -0.0365204 + 0.0207111 * ID0WBB\$$
 ID0YSI\$: $ID0YSI\$ = -0.00870473 + 1.11332 * TWPER * ID0WBB\$ / WSD$
 ID0YSUP\$: $ID0YSUP\$ = -0.0352199 + 1.01973 * YOL * (ID0WBB\$ / WSD)$
 ID0YTR\$: $ID0YTR\$ = 0.151650 + 0.770273 * ((VGF@PER + VGSL@PER) * (ID0NPT / N))$
 ID0YTRF\$: $ID0YTRF\$ = 0.0101261 + 0.0129827 * TRF\$$
 YPADJ@ID: $YPADJ@ID = ID0YPNF\$ + MOVAVG(3 \text{ TO } 0, ID0YPRF\$) + MOVAVG(3 \text{ TO } 0, ID0WBBF\$)$

ENDOGENOUS VARIABLES

ID0AHEMF	Average hourly earnings in manufacturing
ID0AVGW\$	Average annual wage
ID0CRCROP	Cash receipts, crops, not seasonally adjusted
ID0CRLVSTK	Cash receipts, livestock, not seasonally adjusted
ID0EXFP	Farm production expenses
ID0GIA\$	Federal grants-in-aid to Idaho governments
ID0HSPR	Housing starts, total
ID0HSPRS1@A	Adjusted housing starts, single units
ID0HSPRS2A@A	Adjusted housing starts, multiple units
ID0IP26&27	Industrial production index, paper, printing, and publishing, 1987=1.0
ID0IP32&34	Industrial production index, stone, clay, glass, and concrete products and fabricated metals, 1987=1.0
ID0IPMFDNEC	Industrial production index, other durable manufacturing, 1987=1.0
ID0KHU	Housing stock, total
ID0KHU1	Housing stock, single units
ID0KHU2A	Housing stock, multiple units
ID0NB	Number of births
ID0ND	Number of deaths
ID0NEW	Employment on nonagricultural payrolls, total
ID0NEW10	Employment in metal mining
ID0NEW20	Employment in food processing
ID0NEW20@203	Employment in food processing, except canned, cured, and frozen
ID0NEW203	Employment in food processing, canned, cured, and frozen
ID0NEW24	Employment in lumber and wood products
ID0NEW26&27	Employment in paper, printing, and publishing
ID0NEW28	Employment in chemicals and allied products
ID0NEW32&34	Employment in stone, clay, glass, and concrete products and fabricated metals
ID0NEW35	Employment in nonelectrical machinery
ID0NEW36	Employment in electrical machinery
ID0NEWCC	Employment in construction
ID0NEWFIR	Employment in finance, insurance, and real estate
ID0NEWGOOD	Employment in goods-producing sectors
ID0NEWGV	Employment in government
ID0NEWGVF	Employment in federal government
ID0NEWGVSL	Employment in state and local government
ID0NEWGVSL@ED	Employment in state and local government, except education
ID0NEWGVSL@ED	Employment in state and local government, education
ID0NEWMF	Employment in manufacturing
ID0NEWMFD	Employment in durable manufacturing
ID0NEWMFDNEC	Employment in other durable manufacturing
ID0NEWMFN	Employment in nondurable manufacturing
ID0NEWMFNNEC	Employment in other nondurable manufacturing
ID0NEWMG	Employment in mining
ID0NEWMG@10	Employment in mining, except metal mining

ID0NEWNGOOD	Employment in service-producing sectors
ID0NEWNM	Employment in nonmanufacturing
ID0NEWSV	Employment in services
ID0NEWTCU	Employment in communications, transportation, and public utilities
ID0NEWWR	Employment in trade
ID0NMG	Net in-migration of persons
ID0NPT	Resident population
ID0WBB\$	Wage and salary disbursements
ID0WBBCC\$	Wage and salary disbursements, construction
ID0WBBF\$	Wage and salary disbursements, farm
ID0WBBMF\$	Wage and salary disbursements, manufacturing
ID0WBBMIL\$	Wage and salary disbursements, military
ID0WBBOTH\$	Wage and salary disbursements, except farm, manufacturing, and construction
ID0WRWCC\$	Average annual wage, construction
ID0WRWMF\$	Average annual wage, manufacturing
ID0WRWOTH\$	Average annual wage, except manufacturing, construction, and farm
ID0YDIR\$	Dividend, interest, and rent income
ID0YFC\$	Corporate farm income
ID0YINV&R\$	Farm inventory value changes, imputed rent, and income
ID0YP	Total personal income, 1992 dollars
ID0YP\$	Total personal income
ID0YPNF	Nonfarm personal income, 1992 dollars
ID0YPNF\$	Nonfarm personal income
ID0YPNFPC	Per capita nonfarm income, 1992 dollars
ID0YPRF\$	Net farm proprietors' income
ID0YPRNF\$	Nonfarm proprietors' income
ID0YPTXB	Tax base, 1992 dollars
ID0YRA\$	Residence adjustment, personal income
ID0YSI\$	Contributions for social insurance
ID0YSUP\$	Other labor income
ID0YTR\$	Transfer payments to persons
ID0YTRF\$	Government payments to Idaho farmers
YPADJ@ID	Adjusted total personal income

EXOGENOUS VARIABLES

CNCS92C	Personal consumption expenditures, clothing and shoes, 1992 dollars, chain weighted
CNFOOD92C	Personal consumption expenditures, food, 1992 dollars, chain weighted
CNOO92C	Personal consumption expenditures, other nondurable goods, 1992 dollars, chain weighted
CRCATCVS	Cash receipts, U.S. cattle and calves
CRCROP	Cash receipts, U.S. crops
DIV@PER	Personal Dividend Income

DUM801884
DUM861884
DUM87ON
DUM95ON
TIME

These are dummy variables used in regression equations for the purpose of capturing the impacts of discrete economic or noneconomic event such as SIC code changes, strikes, plant opening, or closures, unusual weather conditions, etc.

E20	Employment in food processing
E24	Employment in lumber and wood products
E26	Employment in paper and paper products
E27	Employment in printing and publishing
E28	Employment in chemicals
E32	Employment in stone, clay, and glass
E34	Employment in fabricated metals
E35	Employment in nonelectrical machinery
E36	Employment in electrical machinery
EEA	Total nonagricultural employment
EGF	Employment in federal government
EMD	Employment in durable manufacturing
EMI	Employment in mining
EMN	Employment in nondurable manufacturing
GF92C	Federal government purchases, 1992 dollars, chain weighted
GFO92C	Federal government purchases, nondefense, 1992 dollars, chain weighted
JQIND20	Industrial production index, food products, 1987=1.0
JQIND24	Industrial production index, wood and lumber products, 1987=1.0
JQIND25	Industrial production index, furniture and fixtures, 1987=1.0
JQIND26	Industrial production index, paper and paper products, 1987=1.0
JQIND27	Industrial production index, printing and publishing, 1987=1.0
JQIND287	Industrial production index, agricultural chemicals, 1987=1.0
JQIND32	Industrial production index, stone, clay, and glass products, 1987=1.0
JQIND33	Industrial production index, primary metals, 1987=1.0
JQIND34	Industrial production index, fabricated metal products, 1987=1.0
JQIND357	Industrial production index, office and computing equipment, 1987=1.0
JQIND367	Industrial production index, electric components, 1987=1.0
JQIND37	Industrial production index, transportation equipment, 1987=1.0
JQIND39	Industrial production index, miscellaneous manufactures, 1987=1.0
JRWSSNF	Index of compensation per hour, nonfarm business sector, 1982=1.0

N	Population, U.S.
N16&	Population, U.S., aged 16 and older
PCWC	Implicit price deflator, personal consumption, 1992=1.0, chain weighted
RMMTGNN\$	Effective conventional mortgage rate, new homes, combined lenders
TRF\$	Government payments to U.S. farms
TWPER	Personal contributions for social insurance, U.S.
VAIDGF@SL	Federal grants-in-aid to state and local governments
VGF@PER	Federal transfer payments to persons, U.S.
VGSL@PER	State and local transfer payments to persons, U.S.
WPI01	Producer price index, farm products, 1982=1.0
WPI02	Producer price index, processed foods and feeds, 1982=1.0
WPI08	Producer price index, lumber and wood products, 1982=1.0
WSD	Wage and salary disbursements
YENTNFADJ	Nonfarm proprietors' income (with inventory valuation and capital consumption adjustments)
YINTPER	Personal interest income
YOL	Other labor income, U.S.
YP	Personal income
YRENTADJ	Rental income of persons with capital consumption adjustment

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Division of Financial Management
700 W. Jefferson, Room 122
P.O. Box 83720
Boise, Idaho 83720-0032

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